How to Implement an Omni-Channel Supply Chain
A Case Study of Intersport Sverige AB

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Gothenburg, 31st of May 2018

___________________________      ___________________________
       Tilde Bjärfors               Aron Hwang
Abstract

**Title:** How to implement an omni-channel supply chain. A case study of Intersport Sverige AB.

**Thesis degree:** Master Degree Project in Innovation and Industrial Management.

**Authors:** Tilde Bjaerfors and Aron Hwang.

**Supervisor:** Johan Brink.

**Purpose:** The purpose of this thesis is to explore the pursuit of an omni-channel supply chain. Thereby, filling the academic research gap between what omni-channel retailing is and how to operationalise it.

**Research questions:** (1) How is a Swedish sports retailer working towards implementing an omni-channel supply chain? (2) What are the challenges when implementing an omni-channel supply chain? (3) What are the motivators behind the pursuit of an omni-channel supply chain?

**Method:** A descriptive single case study conducted at Intersport Sverige AB, one of the market leaders within Swedish sports retailing industry. Empirical findings from semi-structured interviews and observations have been presented in a narrative style. Followed by a thematic analysis combining the theoretical framework with the empirical results.

**Main findings:** Intersport has engaged in five main activities to fulfil an omni-channel supply chain. First, Intersport had to centralise the organisational decision making. Second, the IT systems were changed to enable data chairing among the channels. Third, the online store was rebuilt. Fourth, Intersport built its own automatic warehouse to enable pooling of products for the physical stores and the online store. Fifth, Intersport has started to hire employees with digitalisation skills. In addition, Intersport has experienced four main challenges connected to the pursuit of omni-channel supply chain. Initially, there was a lack of managerial control. In addition, the new technology in its IT systems required heavy investments and cutting-edge capabilities. Two remaining challenges are connected to customer data usage and finding and using accurate evaluation tools for omni-channel operations. Still, Intersport’s omni-channel journey is in progress, motivated by customer demands, preferences and shopping behaviours. Further, Intersport finds the omni-channel pursuit to be an opportunity to increase profitability by increased sales and decreased costs.

**Key words:** Multi-Channel, Omni-Channel, Supply Chain, Retailing and Change Management.
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Table of abbreviations

3PL Third-Party Logistics Provider
CDO Chief Digital Officer
CEO Chief Executive Officer
CFO Chief Financial Officer
ERP Enterprise Resource Planning System
HQ Head Quarter
IT Information Technology
KPI Key Performance Indicator
PMO Project Management Office
SCM Supply Chain Manager
1. Introduction

This chapter introduces the reader to the background of the topic within this thesis. It starts with a discussion about how the Internet have changed the Swedish sports retail industry. Afterwards, the term omni-channel is introduced and problematized. Finally, the purpose and research question are presented followed by the thesis delimitations and disposition.

1.1 Background

The increased digitalisation has rapidly changed the Swedish Sports retail sector by disrupting the opening hours and changing what geographical locations for the physical stores that are profitable (Brynjolfsson et al, 2013). The Internet has also lowered the margin in the Swedish retailing industry because it enables customers to compare retailers and their offers to a greater extent (Svensk Handel, 2017). Today 70 percent of the Swedish customers make sure they purchase their products at the lowest price available by engaging in online product comparison (Jonsson et al, 2015). Similarly, the Head of Swedish Retail tells that eight out of 10 products sold have been Googled by the customers before their purchases (Future, 2017). Independent of whether the purchase is done online or in a physical store, the Internet serves as a tool for a more informed decision making among customers (Grewal et al, 2017).

As a result, the Swedish sports retail industry is facing a paradigm shift pushed by customers’ demand for new features connected to digitalisation that will enhance their convenience (Rigby, 2011; Sorescu et al, 2011; Deloitte, 2017). The ideal customer convenience is often described as a seamless experience, where the customers can move freely back and forth between the online store and the physical store to combine their different benefits (Frazer & Stiehler, 2014). This unified experience where boundaries between the physical store, the online and all other sale channels is erased is often defined as omni-channel (Mansfield, 2014). The case company in this thesis Intersport AB (henceforth referred to “Intersport”) is one of the major actors in the Swedish sports retail industry with approximately 8 percent of the market 2016 and more than 500 employees (E-Barometern, 2016, Intersport Sverige Aktiebolag, 2016). Thus, Intersport is at the centre of these new emerging trends and in 2014 the company began a journey towards offering an omni-channel shopping experience to its customers.

1.2 Problem Discussion

With new disruptive technologies of the digitalisation era customers shopping behaviours have changed and created many challenges for the retail industry (Zhang et al, 2010; Neslin & Shankar, 2009). How customers respond to new online sales channels have been studied by academic researchers, the main findings are that easiness of use and personalization plays an important role for the success (Bilgihan et al, 2016). Academia has also studied how the
profitability for companies changes when adding new sales channels as well as the cannibalization that can occur when the two channels are competing against each other (Kollmann et al., 2012; Herhousen et al., 2015). The authors claim that the profitability increases when adding new sales channels and that cannibalization does not occur to a great extent (ibid). The integration of different channels has also been studied within the supply chain literature (Lockton et al., 2013). The main outcome is that there are possibilities to decrease the cost by having a higher degree of integration (ibid).

However, when it comes to omni-channel retailing the research is limited. The first attempt to describe the concept in literature was 13 years ago (Bendoly et al., 2005). The focus has mostly been on the integration of the different sales channel attributes such as price, shopping experience and uniformity between the online and offline store. Thereby, a majority of the research has directed the attention towards the customers’ experience and what the customers demand. McCormick et al., (2014) highlight that there is a gap in the in the omni-channel literature, which has not yet been acknowledged in academic research. In contrast, the retailing industry has endorsed the omni-channel concept. Many retailers have tried to implement it in their strategy as well as in their operations (Morse, 2011). Positions such as Chief Digital Officer (CDO) are created to motivate and enable a smooth transition to omni-channel retailing (Peladeau et al., 2017). Accordingly, it seems like the scientific community is lagging the industry practitioners, as academic research has paid little attention to the organisational structure of the omni-channel retailing firms. Even less research has focused on the operational changes needed, and what the challenges retailers might face when the supply chain is transformed to enable an omni-channel experience for the customers.

1.3 Purpose
The purpose of this thesis is to explore the pursuit of an omni-channel supply chain. Thereby, filling the academic research gap between what omni-channel retailing is and how to operationalise it. By conducting a case study at the Swedish sports retailer Intersport, the purpose is to answer the following research questions:

1. How is a Swedish sports retailer working towards implementing an omni-channel supply chain?

2. What are the challenges when implementing an omni-channel supply chain?

3. What are the motivators behind the pursuit of an omni-channel supply chain?
1.4 Delimitations
Even though Intersport is a part of an international organisation, this thesis only focuses on the Swedish corporation. Also, omni-channel is an extensive concept that covers all activities that a retailer engages in throughout its supply chain. This thesis will investigate the supply chain of Intersport drawing on Chaffey’s (2006, p.60) definition of a supply chain as “The coordination of all supply activities of an organisation from its suppliers and partners to its customers”. Thereby, the thesis will include the IT used by Intersport, since it is essential when providing the customers with their products. However, the thesis will not focus on the marketing perspective of the organisation. To increase the depth of the thesis the focus will solely be on Intersport and not its suppliers.

1.5 Disposition of the thesis

| Introduction. Discusses the background of the thesis. |
| Theoretical Framework. Elaborates on the literature related to the research question. |
| Methodology. Discusses the chosen research approach and execution. |
| Empirical Material. Introduces the findings of the interviews and observations. |
| Analysis. Presents how the theoretical framework and empirical material relates. |
| Discussion. Authors' own reflections on empirical findings. |
| Conclusion. Finalises the thesis conclusion and future recommendations. |

*Figure 1: The thesis’s outline, developed by the authors.*
2. Theoretical Framework

This chapter will present the literature of the different retail channels; single-channel, multi-channel and omni-channel. It will then present the motives, challenges and impact on a company’s supply chain while trying to adapt to omni-channel retailing. Finally, it will discuss the theoretical frameworks in the change management literature which describes the complexity that exists in the starting point of a change process.

2.1 Sales Channels in Retail

A sales channel is a platform for a retailer to deliver products or services to the customers. Until recently the physical store has been a stable and necessary sales channel for the retailers (Levy et al, 2013). The physical store is still the most significant channel in Swedish sports retail in terms of sales numbers, but the marginal growth in the online channels is today higher (E-Barometern, 2017). A retailer can choose between a variety of channel setups such as single-channel, multi-channel and, omni-channel.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Single-Channel</th>
<th>Multi-Channel</th>
<th>Omni-Channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Synergy across channel</td>
<td>Only one channel</td>
<td>No integration between channels</td>
<td>Seamless integration</td>
</tr>
<tr>
<td>Management</td>
<td>Single management</td>
<td>Separated by channel</td>
<td>Same Across all channels</td>
</tr>
<tr>
<td>Goals</td>
<td>Common goal</td>
<td>Separate goals between channels</td>
<td>Synergies between channels</td>
</tr>
<tr>
<td>Interaction</td>
<td>One-way</td>
<td>Two-way</td>
<td>Any way</td>
</tr>
<tr>
<td>Data</td>
<td>Data in one channel</td>
<td>Data is not shared across channels</td>
<td>Data is shared across all channels</td>
</tr>
</tbody>
</table>

*Figure 2: List of differences among single-, multi- and omni-channel, developed by the authors.*
2.2 Single-Channel
A single-channel retailer only uses one sales channel to reach its customers. This means that the single-channel retailer can use either an online store to reach the customer or a physical store. In practice, alternative channels can be used such as sales via catalogues or by call service (Levy et al, 2013). However, this thesis focuses on the most common sales channels, physical stores and online stores.

2.2.1 Physical Channel
The physical store is the local and traditional sales channel. The channel provides the retailers with a platform where they can access the customers in person and gain an instant gratification (Agatz et al, 2008). This is because the customers do not have to wait for their products, but instead, they can receive it directly after the purchase (ibid). By providing a physical store setting a retailer can also enrich the customer experience with the knowledge of the sales personnel and the ability to let them touch and try the products before deciding whether to purchase it or not (Herhausen et al, 2015). It also provides the retailer with an advantage since they can avoid costs such as sending packages individually to the customers as well as picking the products from the shelves. Finally, there are customers that do not want to purchase products in other channels because they appreciate the contact with the sales personnel (Zhang et al, 2010).

2.2.2 Online Channel
The technological development and internet have provided a new channel for the retailers to meet the customers’ demand (Agatz et al, 2008). Through this channel, the retailer can provide...
them with constant accessibility all the time, every day. The online channels help the customers in their purchasing decision by providing information regarding the product and helping them with an easy checkout process (ibid). Additionally, the customers can compare prices easily and read reviews about the product they are about to purchase (ibid). Lastly, it enables the customers to make their purchasing decisions in their own homes where they feel conformable (Zhang et al, 2010 and Jonsson et al, 2015). The digitalisation has allowed a new type of retailers to emerge, which solely focuses on the online channel (McCormick et al, 2014). This has not only increased the competition in the retailing landscape, but it has also driven the margins down on the products sold because the pure online channel retailers can focus on more standardised products with economies of scale as customers compare prices (ibid).

Visualising a customer journey solely using an online channel can be done by dividing it into four stages; pre-, during- and, post sales and potentially also returns (Saghiri et al, 2017). First, most customers can enjoy the privilege of comparing prices, products and offers online from multiple retailers, whenever they want and wherever they want using the Internet (Jonsson et al, 2015). Later during sales, multiple payment methods are available for the individual customer, for example, invoice, split payments, card or mobile payment services (Moritz, 2017). During the post sales, the customers are given options about delivery at different price points. The customers can choose where and when to pick up the products purchased, often at home or in a nearby store. Finally, if the customers would not enjoy the product purchased, they often get the opportunity to return it at no cost (United Parcel Service of America, Inc, 2016). In addition, “The online version of word of mouth” is also affecting the retailers. If a customer experience is bad, the customers can leave a bad review, available for everyone to read online. This is a considerable threat to the retailers since bad online reviews have the power to slow down the sales and ultimately put retailers out of business (Rosenbrook, 2016).

<table>
<thead>
<tr>
<th>Differences</th>
<th>Physical channel</th>
<th>Online channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service</td>
<td>Face-to-face service</td>
<td>No face-to-face service</td>
</tr>
<tr>
<td>Products</td>
<td>Ability to feel and touch</td>
<td>Larger Assortments</td>
</tr>
<tr>
<td>Delivery</td>
<td>Instantly</td>
<td>Delivery time</td>
</tr>
<tr>
<td>Access</td>
<td>Opening Hours</td>
<td>24 hours a day</td>
</tr>
<tr>
<td>Prices</td>
<td>Hard to compare</td>
<td>Comparable in real time</td>
</tr>
<tr>
<td>Decision making</td>
<td>In store</td>
<td>Comfortable at home</td>
</tr>
</tbody>
</table>

*Figure 4: List of differences between single-channel options, developed by the authors.*

### 2.3 Multi-channel

There is an extensive body of research regarding multi-channel retailing. Levy & Weitz (2013) define multi-channel retailing as a set of activities which are involved in selling products or
services through more than one channel. Meaning that the multi-channel usually involves both physical retail stores as well as an online store. The indication of the multi-channel literature is that the different channels are working separately to improve their own productivity and costs, regardless of the other channel operations within the company (Saghiri et al, 2017). Multi-channel retailers often use multiple management and marketing functions which support each channel individually. Therefore, the management and marketing functions are organisationally kept separated from each other (Zhang et al, 2010). This can cause problems with inconsistent information about products and inefficient inventory management might arise (Saghiri et al, 2017). Multi-channel supply chains often become fragmented and complicate the creation of a unified customer experience (Verhoef et al, 2015). However, a unified customer experience is desired from a marketing point of view, since the retailer’s brand benefits from being similarly interpreted, independent of which channel the customers use to interact with the retailer (Bilgihan et al, 2016). A multi-channel retailer can therefore suffer from lack of synergies among the channels because it does not promote cross-channel shopping (Gallino & Moreno, 2014). This can weaken the benefits created for the whole organisation (Saghiri et al, 2017).

The motivators for retailers to switch from single-channel to a multi-channel are many. By converting to more than one channel it is possible for the retailer to gain access to a greater market share without physically opening new stores (Kushwaha & Shankar, 2013). There is also evidence that the multi-channel customers spend more money in a customer lifetime than the average single-channel customers, which makes the multi-channel customers attractive to target (Neslin & Shankar 2009). On the contrary, retailers also face challenges when it comes to multi-channel offerings. First, the cost of providing several channels is higher than a single-channel. Second, the multi-channel retailer must have several strategies, though the different channels demand different organisational capabilities. Third, with a multi-channel strategy, firms must target multiple customer segments, with different needs to fulfil (Zhang et al, 2010).

Multi-channel retailing has been studied for a less than a decade, which means that the authors studying multi-channel retailing have based the literature and theory on sources from many different fields of research. For example, in marketing (Ansari et al, 2008; Verhoef et al, 2010) have discussed promotional tools to make customers more likely to adapt to a new channel and that the retailers are still struggling analysing customer data from two channels. In management literature, the access to new customers and markets as well as an increased customer loyalty have been researched (Neslin & Shankar, 2009; Lin, 2012). These studies have investigated specific subjects within their fields rather than multi-channel retailing, leading to a dispersed and sometimes stretched conclusion regarding the links to multi-channel retailing. Additionally, in the multi-channel literature there is a lack of self-critique regarding the authors own research as well as a critique of others. Because of this, it is hard to review the different sources by considering established research difficulties within the field of study.
2.4 Omni-channel Retailing

The word “Omni” derives from Latin and means *Universal*, or *All* (Ahlberg et al., 2017). Likewise, Piotrowicz, & Cuthbertson (2014) argue that omni-channel is an extension to multi-channel affecting all channels and the whole universe within the retail organisation. Omni-channel retailers provide the same type of customer touch points; online stores, physical stores and advertising as multi-channel retailers. The difference is that the omni-channel solution also combines all the channels to create an optimal and unified experience for the customers (Mansfield, 2014). The boundaries between the physical channel and the online channel is therefore erased (ibid). An example of an omni-channel customer experience is the given option for customers to shop online and return unwanted products in the physical stores (Beck & Rygl, 2015). To enable such an omni-channel shopping experience, the information systems need to be integrated to suit both the payment methods used in the physical stores and the online store. In other words, online store platforms and location-based retailing services need to be integrated (Lazaris & Vrechopoulos, 2014). Another important aspect of omni-channel retailing is according to Oh et al., (2012) the consistency between the different channels. By consistency, the authors mean that the prices and promotions should be the same in the physical and online store.

Although several authors have expressed their own views of what an omni-channel is, there is no unified definition (Beck & Rygl, 2015). Instead, academia seems to use multi- and omni-channel interchangeably relying on their own interpretation of the terminology (ibid). Furthermore, the research in this field is still lagging when it comes to omni-channel research. This means that this thesis sometimes has relied upon internationally recognised consulting firms to get an indication of where the industry is heading (for example, Deloitte, 2017; Handelsrådet, 2018). This data might be accurate, but scientifically the replicability can be doubted because the consultancy reports do not provide any theoretical background nor a thorough methodological description of how the reports have been produced. Furthermore, the consultancy firms have a financial interest in publishing their omni-channel reports, e.g. by presenting data that could generate future business cases for them, and therefore the reports can be perceived as biased. Finally, the retailing industry is also different between countries and most studies have studied the retailing industry in a specific country. Therefore, it is hard to know how generalizable the studies are to the Swedish setting (for example, Lin, 2012; Lewis et al., 2014).

2.5 Omni-channel supply chain

Supply chain management is all activities connected to producing and delivering the right quantity and quality of products at the right timing, while both minimize systematic costs and maintain a satisfying service level (Simchi-Levi et al., 2007). Omni-channel supply chain management therefore includes all activities connected to production, warehousing and sales. Though omni-channel is motivated by an improved customer journey, the omni-channel strategy affects the retailers beyond those activities directly in touch with the customers. In addition, organisational tools also need to be integrated to be able to take care of omni-channel
transactions and reverse logistics (ibid). This calls for a supply chain with high integration among the different steps.

Studying the present and future trends of supply chain management, Kakabadse and Kakabadse (2005) have spotted an increased need for a tighter relationship among the sales party and the Third-Party Logistics Provider (3PL). The authors therefore advise firms to limit their supply chain outsourcing to non-competitive activities in the future, to stay in control and be responsive to customers' demands (ibid). Many omni-channel retailers therefore invest in a common storage for their products, independent of sales channel (Ishfaq, 2016). In addition, desired characteristics of an omni-channel supply chain are logistics flows which balances efficiency, effectiveness, flexibility and adds to the possibility to differentiate (Fairchild, 2014). These capabilities, are shown when firms successfully engage in delivering products with speed, reliability and at low cost to a widespread distribution place. Also, they are shown when the firms excel in meeting the customers’ expectations regarding pre- and post-customer service and handling the information flow while products being delivered (ibid).

In an extensive study with over 60 retailers Hübner et al, (2016) researched how the supply chains of retailers are transitioning from multi-channel to omni-channel. The focus of the study was on the logistic capabilities of the organisations and how they were changing to adapt to the future. The authors divided the requirements of an omni-channel supply chain to the different parts of the logistics system. The affected parts that need to change are according to the authors the inventory, picking, assortment, delivery and return. The enablers are the organisational structure as well as the IT system. The product picking in the warehouse and inventory system were typically separated between different locations within the single-channel and multi-channel retailing. However, when the retailers moved towards an omni-channel supply chain the picking area as well as the inventory became unified for all channels. This enabled a more demand-driven inventory, and according to the authors the advantages of pooling these areas heavily outweighed the disadvantages that come with more complexity (Bhatnagar & Syam 2014; Hübner et al, 2016). Furthermore, in a developed omni-channel system the assortment in the online channel acts as a virtual extension to the physical stores’ assortments. Because the online channel can use the economics of scale and become cheaper. Finally, the delivery and return options changes when it comes to omni-channel (Hübner et al, 2016). The retailer is expected to be able to deliver home to the customers at any time but also to the stores from the warehouse as well as using the store’s inventory to be able to achieve a faster delivery to the customers (ibid).

The enablers of the omni-channel supply chain rely on an integrated organisation where the online and physical store unit are working together as a team with incentives that do not promote one channel over the other (Hübner et al, 2016). The conclusion of the study was that the long-term efficiency will be higher if the units work together rather than separately.
Additionally, with regards to IT there should be one Enterprise Resource Planning System (ERP) in the organisation to create synergies between the different channels (ibid).

Saghiri et al, (2017) have designed one of the first frameworks to analyse the omni-channel environment, the customer journey and where the companies’ interaction points are. As displayed in the figure below there should be integrated promotions, transactions, pricing, order fulfilment, reverse logistics and integrated product information to fulfil the omni-channel customer experience. The integrated promotion means that the brand and logo is consistent on all channels and that the different channels promote each other. The integrated transaction suggests that checks, cards, coupons, gift cards and, electronic transfers work alike in all channels. Integrated pricing is when all channels display the same product prices in real time. The integrated order fulfilment is the level of traceability, changeability and stock keeping points throughout the supply chain. Integrated reverse logistics means that the information about the stock keeping and return points is traceable and retrievable. Finally, integrated product information means that the information such as inventory levels, current locations and traceability is retrievable in all channels for both the customers and the retailer (Saghiri et al, 2017). By delimitating the framework to a supply chain perspective and combining it with Hübner et al, (2016) research on the enablers of an omni-channel supply chain, it becomes an illustrative theoretical framework on how omni-channel customer experience will affect the companies supply chain. See Figure 5 below:

Figure 5: Authors’ own illustration inspired by the omni-channel model by Saghiri et al, (2017) and Hübner et al, (2016).
2.6 Challenges connected to omni-channel supply chain

In Figure 5 it is visualized that the actions and integrations necessitated in an organisation’s supply chain to be able to provide its customers with an omni-channel experience. First, it is important that the organisational structure and IT systems can support omni-channel retailing. There must be a high degree of integration in all steps of the customer journey and between the different steps (Hübner et al, 2017). The main reason why is because today’s omni-channel customers expect the online and offline experience to be unified. Neslin et al, (2006) therefore identify challenges with data generation, evaluating channels, allocating resources and coordinating channels. In the following section, the challenges connected to the omni-channel supply chain will be further explained.

2.6.1 Managerial control

There are several challenges when it comes to coordinating the organisational structure and thriving in an omni-channel market pushed by customers’ demand and fierce competition among the retailers. Traditionally the multi-channel retail supply chains were built to optimise the different channels separately. As a result, the management team in the different channels were often separated from each other. The capabilities and degree of freedom for innovative ideas were focused on different retailer attributes between the channels. The strategic implications for the online and offline channels were also different because of the varying demand between channels when it came to inventory and products (Zhang et al, 2010).

In terms of logistics, another challenge constitutes that omni-channel strategy demand integrated solutions for both pre-purchase activities and return logistics (Hübner et al, 2016). The omni-channel supply chain demands more managerial control compared to the multi-channel supply chain due to its high degree of integration among the flows of products and information (ibid). This requires interaction capabilities and capacity to integrate the channels with each other (Hultman et al, 2017). With today’s omni-channel trend, the online channel and physical store network enable and push each other’s sales opportunities. This requires the retailers to re-evaluate the locations of physical stores. The channels do not only serve their own customers but have been increasingly important, since they serve the online-customers need of click-and-collect, returns and changes, as well as being a physical showroom and boosting the brand used online too (Åsbrink et al, 2017; Deloitte, 2017).

2.6.2 IT systems and Technology

One barrier that several articles refer to is the system technology that exists in the organisations (Zhang et al, 2010; Lin, 2012; Lewis et al, 2014). The IT systems are not able to fulfil the needs of the retailers with regards to inventory levels, logistics, speed and other omni-channel needs. The complexity and heavy investment needed to move from one system to another make it hard for the retailers to implement an omni-channel customer experience. The seamless experience should allow the customers to move between the channels which creates high demands on fully functioning and synchronised IT systems (Lin, 2012; Lewis et al, 2014).
2.6.3 Data integration and Customer Analytics
The challenges with data integration come as a direct consequence of a history of separated channels (Zhang et al, 2010). To be able to benefit from omni-channel retailing it is important to process information from the channels in a unified manner with customer centricity as the main focal point. In the traditional retailing industry, decision makers received data from the physical stores and online stores and tried to make sense of it separately (Verhoef et al, 2010). Zhang et al, (2010) stress that this is no longer a viable option. Instead, it is important to be able to analyse the data together to reveal the customer’ behaviour within their individual customer journeys. This is to maximize the marketing efforts, as well as choosing offered products in different channels (ibid). Herhousen et al, (2015) discuss the relation of a strategic advantage in that online retailing together with physical stores can create a large flow of information. Taylor et al, (2015) add that this enables sophisticated loyalty programs using information about individual customers’ past purchases. The online store gets this information for free, as the customers share their personal information when making purchases. Together the two channels create a better picture of the customers’ behaviour, which can help the retailer create a more seamless experience for the customers (Zhang et al, 2010). The possible usage of big data is still quite unexplored. There is a gap between the great amount of data generated, and the amount of data that the retailers have been able to use. The big data usage is expected to increase in the future, as big data tools become more accessible for retailers (ibid). The Swedish Trade Council reports that the Swedish customers are open-minded towards sharing information about themselves, in case they are given better service afterward (Handelsrådet, 2018). Neslin and Shankar, (2009) also emphasise the customers' integrity and problematise retailers overstepping the privacy boundary when gathering and analysing customer data.

2.6.4 Evaluation of different channels
Another challenge affecting the pursuit of omni-channel retailing is that the classic Key Performance Indicators (KPI:s) are no longer are as relevant as they used to be for the physical stores (Ailawadi & Farris, 2017). For example, the retailers with omni-channel strategies might have more customers visiting the physical stores to return what they already bought online, and therefore the stores get more visits, without having more customers shopping. As a result, the usage of the classic KPI:s of the ratio between visitors and purchasing customers might cause misunderstandings when it comes to rating how attractive the physical store offers are, and therefore also affect future decisions concerning the store’s future offerings. KPI:s that track the physical store’s employee performance might also need to be adjusted, in order for the sales personnel to be motivated to sell across the channels. For example, if a product is not available in the physical store, the store’s personnel should still feel motivated to help the customers to order it online. This is enabled by omni-channel structure, and should therefore also be motivated by suitable KPI:s. In sum, there should be no conflicting incentive for the personnel to sell both in the physical store and online when pursuing an omni-channel strategy (Neslin & Shankar 2009; Ailawadi & Farris, 2017).
2.7 Motivators for omni-channel retailing

Brynjolfsson et al, (2013) argue that omni-channel strategies are becoming more popular since it is predicted to be a key to competitive advantage in the future of retailing. The two main reasons why are increased customer demand, improved profitability. These two motivators will be further discussed in this section.

2.7.1 Customer demand

The customer demand for a seamless shopping experience has rapidly increased. Omni-channel is a trend pushed by customers and buzz created among competing retailers within the industry (Wallace et al, 2008; Neslin & Shankar, 2009; Forrester, 2014). What is considered as a baseline service level by the customers today, was a couple of years ago considered to be a state of the art (Blanchard, 2014). Bell et al, (2014) even say that customers demand retailers to implement omni-channel strategies. A desired integration among the channels is synchronised pricing mechanisms (McCormick et al, 2014). Other expectations that shape the customer experience is the omni-channel solution of ordering online and picking up the products ordered in a physical store nearby, often called click-and-collect. Finally, both physical stores and online channel serve a purpose when customers search for the right products to purchase (Jonsson et al, 2015). Online stores are often used as marketing tools to convince customers that the products that they are searching for are available in the physical stores. Vice versa, the physical stores can be used as a showroom for the customers to touch and feel the products before purchasing online. Thereby, both channels are contributing to the demanded seamless customer experience (ibid).

2.7.2 Profitability

Because of the entrance of pure online store retailers, the traditional retailers with physical stores are experiencing increased competition with lower sales margins (Herhousen et al, 2015). By moving towards an omni-channel retail experience it is possible for the retailers to keep their profitability steady, or become even more profitable, due to competitive advantage (ibid). This is achieved by the improvement in service, better-informed choices for the customers and a higher ease of use (Winter 2012; Hobkirk, 2016). Improvements in logistics systems with higher efficiency can lower the total fulfilment cost which means that the profitability increases (Lockton et al, 2013). Because of this, the omni-channel retail strategy can create more loyalty among customers due to the omni-channel retailer’s abilities to satisfy all the customers’ needs within the different channels (Wallace et al, 2008; Neslin & Shankar, 2009). Though, the managerial fear of cannibalisation among the different channels has been proved to be an exception, since Herhousen et al, (2015) found that multiple channels rather create synergies for profitability. Even though synergies cannot be guaranteed without a sufficient service level (Kayser, 2012). Hübner et al, (2016) have also discussed the opportunity for increased profitability that comes from logistics in a functioning omni-channel. For example, pooling inventory can create a bundling effect and economies of scale can be exploited from the capacity being more balanced in the warehouse serving both online stores and physical stores (ibid). Furthermore, by improving the integration between the different
channels it is possible to increase the feeling of customer empowerment, which leads to a higher trust and satisfaction among the customers (Zhang et al, 2018).

2.8 Change management
Changes in technology and digitalisation are pushing companies into markets where new business models are feasible (Palmer et al, 2017). Retailers’ personnel are now expected to have digital skills and the organisations must be ready to change its systems to suit the new digital structure (ibid). The readiness of change is determined by several factors, often depending on the context. Still, literature focusing implementation of IT and technology with regards to change management is limited due to the great emphasis of conceptualisation rather than implementation (Miraz, 2016). However, frameworks and recipes for change management are many, both in academic literature and provided by consultancy reports. Thus, no step-by-step model fit all organisations, and all change processes are affected by different levels of uncertainty. As Pettigrew (1985) argued, many change models lack explanation and/or consideration of organisations’ historical path dependency, their context and current processes, when examining their change management attempts. Also, many change management models have been focusing on a frozen stage of organisations, which unfreezes in times of change, and later refreezes again to sustain the implemented change (Lewin, 1942; Kotter & Schlesinger, 1989; Hendry 1996; Schein 1996). Though, this type of three-stage model has been used commonly to explain individual and group behaviours, rather than changes in technologies. However, with respect to ever-developing technologies and more and more sophisticated tools for information transition, a frozen stage for sustainable change is not needed, nor wanted. Rather, the change process must be constantly moving and ongoing, to make the organisations stay relevant in fast-moving markets (Orlikowski, 1996).

Therefore, this thesis does not use a step-by-step guide with leadership in focus. Rather, the aim is to investigate how the whole organisation is affected by the change process, without picking sides with a managerial perspective. The first descriptive change model was developed to highlight where change issues is the most likely to occur within the changing organisation (Wiesbord, 1976). He listed the importance of the purpose of change, structure, leadership, relationships and rewards to create incentives for change (ibid). Since then, McKinsey and other consultancy firms have developed their own tools for organisational diagnosis. The 7-S framework lists seven factors including current employee skills and business strategy (Waterman et al, 1980). In addition, the Star Model highlights the importance of networks, company values and power structures as important factors for change management (Galbraith et al, 2002). Later, diagnostic models for external analysis has also been developed, such as the PESTLE Model, describing global and local trends affecting the changing organisation’s environment (Morrison & Daniels, 2010). Politics, laws, technical advancements, economic, social and ecological factors which can affect the organisation’s business. However, this thesis focuses on internal factors of change, which can be described in a retrospective. Therefore, the chosen change model used throughout this thesis is designed by Hope Hailey and Balogun (2002), who have created a model called The Change Kaleidoscope. Initially, the model was
created and used to map the changes within a company active in the pharmaceutical industry. The change kaleidoscope was used to describe events that took place in the 1990’s, years before the study was conducted. Still, the authors argue that the model can be translated into any type of changing organisation within any type of industry (ibid). The change kaleidoscope aims to diagnose the starting point of the organisation and its context, as well as provide change managers with a tool for decision making. However, the model does not provide the users with fixed solutions. Though, it can be used as a starting point for a dialogue about change and how to approach it (Palmer et al, 2017).

The change kaleidoscope lists following eight context factors, which could all be considered as either enablers or constraints of the change process: (1) The scope of change. For example, how many departments within the organisation that are affected by the change transformation. (2) The level of preservation allowed, depending on the need for continuity and stability within processes during times of change. (3) The desired timeframe of when the change should be fully implemented. Since the sense of urgency determines the speed of change. (4) The level of power the change manager has. Depending on the alignment of the stakeholders’ opinions, the power given to the change manager can be limited. (5) The level of readiness, is equal to the support of the change and change manager gets from the rest of the workforce. Acceptance and resistance among the workforce at different degrees. (6) The capabilities, knowledge and, skills of the individuals working at the organisation’s different levels also enable or constrain the changeability. (7) The capacity to change is determined by the organisation’s available resources. (8) The diversity of the workforce is also of importance. Where a very diverse workforce, in terms of professions, can assume to have different opinions and attitudes towards the change. The heterogenic group might then not accept a “one size fit all solution”. (Hope Hailey & Balogun, 2002).

Taking the context factors into consideration, the change managers must then choose between different approaches to the change implementation. The selected change approach is then a product that is both needed and desired but also restricted to what the organisation can undertake in a change process. Following six design options for implementing change are listed by the authors Hope Hailey and Balogun (2002):

- **Type**: The overall scope and speed of change within the organisation.
- **Start point**: Could be top-down driven by managers, started by employees on lower levels or, in a pilot group with best practice results.
- **Style**: Either forced by management or rolled out in a collaborative manner, including the workforce in the decision-making process.
- **Target**: What is really needed to change. For example, operational outputs or, employee behaviours and attitudes.
• **Interventions:** The levers affecting the organisation’s working climate, such as politics, technical structure, culture, values and, communication style.

• **Roles:** The leaders who should be involved in driving the change process forward and implement the change throughout the organisation.

### 2.9 Summarising the theoretical framework

In the theoretical framework of this thesis several key areas of omni-channel retailing have been explored. First, omni-channel retailing was described in a historical context by exploring different types of sales channels and their integrations. It is evident that the physical channel still plays a main role in the retailing landscape. However, both the physical channel and the online channel have different advantages. Multi-channel retailing, which is the combination of several sales channels, has been studied in many different fields and this research has later been used to understand omni-channel retailing.

Within the omni-channel literature there are attempts to define what omni-channel retailing is from a customer's point of view. Research has also mapped out how far the retailers in different areas have come in implementing omni-channel retailing. Furthermore, the omni-channel literature provides many examples of challenges that a retailer might face when trying to give customers a seamless experience and some motives for doing so. However, few studies have investigated what an omni-channel supply chain is and the advantages of it. No study has described how a retailer can implement an omni-channel suitable supply chain.

Lastly, the change management literature is extensive and there are countless prescriptive studies frameworks explaining the best practice of changing an organisation. There are also numerous diagnostic frameworks and this study will use one that enables the exploration of a change process in retrospective.
3. Methodology

This chapter describes, discuss and motivate, the methodological considerations that have been taken in the thesis. The aim is to provide a transparent explanation of how the research was conducted in order to be able to rationalise the decisions. The structure is as follows: first, the research approach. Second, the research design. Third, data collection and analysis, followed by a discussion about the research quality.

3.1 Research Approach

To gain a deeper understanding of how a Swedish retail industry is responding to the omni-channel trend, a qualitative research approach has been chosen. Omni-channel is a new area of academic studies. Few articles have been published describing what the phenomenon is, and even fewer are discussing how the retail companies are trying to adapt their organisation to face this new challenge (Lazaris & Vrechopoulos, 2014). A qualitative study provides an adaptive and flexible approach for the authors and allows information that is unpredicted to emerge to make a difference in the field of study (Bryman & Bell, 2015).

The case company, Intersport, has a history of comprehensive organisational changes to adapt to omni-channel, of which has not been published in detail to a public audience. The thesis’ authors have therefore used an abductive research method since it allows for a deductive element where the researchers access literature and theories from previous research in to gain an understanding of the topic before collecting the empirical material from the company (Bryman & Bell, 2015). It also contains explorative and inductive elements of research methods since the theories about organisational adaptation to omni-channel is far from complete where the thesis will have to adjust and describe new elements during the research process (ibid).

It is important to note that qualitative studies are rarely performed without complications. It is harder to achieve a trustworthy and transparent study because it cannot rely on the numbers and statistics that define quantitative studies (Bryman & Bell, 2015). However, this research is trying to gain a deeper understanding of a relatively unexplored topic it is possible to argue that a qualitative approach will add more value. As Intersport is a pioneer in using omni-channel within the Swedish sports retail sector, a qualitative approach can be argued to create a more nuanced picture of Intersport’s processes compared to numerical results.

There are several epistemological questions that can be asked with regards to research. Positivism has its origins from the natural science and claims that there is a truth and thereby theories can be accepted or rejected by researchers through measurements and observations. On the contrary, hermeneutics is a scientific approach that tries to get a deeper understanding
of subjects by interpretations. Hermeneutics creates the possibility to add subjective views to a topic (Patel & Davidsson, 2011). Thus, this thesis will reject positivism in preference of hermeneutics, even though it acknowledges that few researchers are only on one side of this epistemological scale.

3.2 Research Design
This thesis adopts a case study research design. The motivation is that case studies in general create space for more detailed descriptions than other designs. It can explore the complexity of an event or situation (Bryman & Bell, 2015). In the omni-channel research field previous studies have explored the similarities and differences between retailers and their omni-channel offers to the customers through multiple case studies. These have been conducted on a rather shallow level, not going into depth within the studied organisations’ operations. By only focusing on Intersport as one single case, it is possible to investigate the whole spectra of Intersport’s change process. The aim is to describe activities, challenges and the motivators of pursuing an omni-channel strategy.

Still, it is questionable what learnings can be derived from a single case study, and how well the case will be generalizable to other contexts. Meaning, how high the external validity of the study is. The authors argue that general conclusions can be drawn from this single case. Since Intersport has a high market share within the Swedish sports retail industry, the case can partly describe the industry too. This thesis will also add value to research because there is a very limited amount of research that has studied the organisational transformation performed to meet the omni-channel requirements. Therefore, a single case study would create an opportunity to go further in-depth than other research designs would have been able to. A case study is also better suited to answer the questions of how and why (Yin, 2009). In addition, studying a Swedish sports retail firm is also of global interest, due to the Swedish digital ecosystem being ahead of many other markets (Baller et al, 2016). This means that many of the process changes that will be studied as past events in this thesis occur within other countries in the future.

3.3 Data Collection
The data in this thesis has been collected from several sources. A pilot study was first conducted where a meeting was set up with the Chief Financial Officer (CFO) at Intersport. He assisted in appointing a supervisor at Intersport in a relevant area that could help with the selection of interview responders. The main source of empirical material was then collected through semi-structured interviews with several employees working at Intersport’s head office. Observations were conducted to gain a fuller understanding of the context and to better understand Intersport’s operations. Finally, secondary data such as previous research, such as omni-channel and supply chain management, were used to create a theoretical foundation for the thesis.
3.3.1 Pilot study
For researchers to be able to conduct well-executed interviews it is important that they are aware of the work that the interviewees are doing in the organisation, otherwise it is hard to collect relevant data (Holme et al, 1997). Since the authors were not familiar with the interview respondents before the interviews, nor had insight in Intersport’s operation, a pilot-study was conducted. The pilot study created a foundation of knowledge about Intersport’s operations for the authors. In practice, the authors visited the head office of Intersport twice, to meet with the CFO and Supply Chain Manager (SCM) (Petersson, 2018; Paepke, 2018a). The meetings were set up for the participants to get to know each other and did not follow any interview guidelines. Together with the CFO of Intersport the area of research was discussed and then a supervisor provided (Petersson, 2018). Since the thesis addresses the supply chain of the organisation and how it is changing because of omni-channel retailing it was the natural decision that the supervisor was the SCM. Furthermore, the insights that the supervisor could provide to the authors regarding the omni-channel strategy and current organisational structure was deep. Therefore, it was possible for the SCM to assist the authors with his expertise in the interviewee selection process. Both meetings provided the authors with inspiration and ensured them that data from Intersport would be provided to the authors work the when needed. A phone interview was later conducted to further avoid misunderstandings (Paepke, 2018b).

3.3.2 Semi-structured Interviews
Interviews are one of the most commonly used methods of gathering empirical material in qualitative research (Bryman & Bell, 2015). There are different ways of organising interviews: structured, unstructured or, semi-structured. It is important to choose the most suitable one for the specific context (ibid). Because the structure steers the direction of the interview by choosing the respondents degree of freedom to answer the questions in the way that they find the most appropriate (Patel & Davidsson, 2011). Since omni-channel theory recently started to gain traction within the research community there is a big gap in the knowledge of how organisations will adapt to it with regards to their supply chains. Thus, it may be hard to cover all the key aspects of the phenomenon since it has not occurred in academic literature structured. Because of the open-ended way of doing interviews the respondents are allowed to share the information that they consider the most important (Bryman & Bell, 2015). The method also allows for a freer interaction between the interviewee and the interviewers which can encourage the interviewee to speak more freely. Additionally, it may be possible to find patterns in the respondents’ answers that can provide deeper insights into this unexplored area. These can later be central in shaping new concepts and developing new hypotheses regarding what can be challenging while adapting the organisation to an omni-channel strategy.

3.3.3 Interview framework
The interview framework was conducted to link the themes mentioned in omni-channel literature with the practical operations at Intersport. Therefore, the interview questions focus on the themes of omni-channel and how it is implemented within the different departments at Intersport. Since the main research question focuses on how Intersport is working towards
implementing omni-channel, parts of the interview framework have been inspired by change management literature (Brown et al, 2016). For example, the question “How is omni-channel communicated within Intersport?” refers change management. The rest of the questions focus on the respondents’ daily work life, how they feel exposed to the omni-channel strategy, and how they interpret Intersport’s omni-channel journey. These questions were asked to understand the respondents’ context and point of view, but also theoretically connected to the academic literature regarding omni-channel supply chain and its theoretical challenges and motivators. An example of a question that derives from the omni-channel motives-literature is “Why do you think Intersport wants to pursue an omni-channel strategy?”.

The same interview framework was used during all interviews of the main study. Though, the interviews were slightly different performed, due to the usage of semi-structured interviews and the authors’ need of clarifying the respondents’ answers at times. As the interviews were conducted, some questions were left out, due to overlapping answers by the respondents. The full English interview guide is presented in appendix two, though the actual questions were asked in Swedish during the interviews, this will be further discussed in a later section.

3.3.4 Selection of respondents

It is important to select the right interview respondents to gain the information that is needed to answer the research question. According to Bryman and Bell (2015) the chances of selecting the right respondents will increase if the researchers have knowledge of the information they are studying (ibid). In many organisations, the employee work tasks and the knowledge in positions differs. For example, a strategic purchaser in one company might work with the same tasks as in another firm even though the name of the role is the same. Therefore, it was important that a supervisor was selected at Intersport, and that a pilot study was conducted. Due to minimizing the risk of missing out on key stakeholders within Intersport’s omni-channel implementation. The final selection of respondents was as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Respondent</th>
<th>Time</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 January 2018*</td>
<td>CFO, Petersson</td>
<td>45 Min</td>
<td>HQ Intersport</td>
</tr>
<tr>
<td>22 Mars 2018</td>
<td></td>
<td>60 Min</td>
<td>HQ Intersport</td>
</tr>
<tr>
<td>28 January 2018*</td>
<td>SCM, Paepke</td>
<td>60 Min</td>
<td>HQ Intersport</td>
</tr>
<tr>
<td>14 February 2018</td>
<td></td>
<td>45 Min</td>
<td>Phone Interview</td>
</tr>
<tr>
<td>26 February 2018</td>
<td>CDO, Lidenmark</td>
<td>45 Min</td>
<td>Phone Interview</td>
</tr>
<tr>
<td>19 Mars 2018</td>
<td></td>
<td>120 Min</td>
<td>HQ Intersport</td>
</tr>
<tr>
<td>5 Mars 2018</td>
<td>CEO, Wibergh</td>
<td>45 Min</td>
<td>HQ Intersport</td>
</tr>
<tr>
<td>9 Mars 2018</td>
<td>Head of IT, Wilhelmsson</td>
<td>45 Min</td>
<td>HQ Intersport</td>
</tr>
<tr>
<td>9 Mars 2018</td>
<td>Business Controller, Börjesson</td>
<td>60 Min</td>
<td>HQ Intersport</td>
</tr>
</tbody>
</table>

Figure 6: List of interviews, developed by the authors.

Marked with * = A part of the pilot study.
3.3.5 Interview Process
As many of the respondents said they would feel more comfortable knowing the topic of the interviews, a short e-mail with information was sent to them a few days before the interviews were conducted. See appendix one for the initial information e-mail translated from Swedish to English by the authors. However, the authors kept the information in the e-mail short, to not bias the respondents’ thoughts about the omni-channel work.

The time and place of the interviews were selected by the interviewees, which is something that is emphasised by Alvesson (2003) because it makes them feel more comfortable. In this case it meant that the interviews were a mix of phone interviews and face-to-face interviews at Intersport’s head office in Gothenburg. The interviews were performed in locations picked out by the respondents and these were in all cases in the meeting rooms at Intersport. These were booked before the interview and it was possible to remain undisturbed by noise and other interactions. During the interviews, all respondents were asked if they wanted their names and work titles kept anonymous, which nobody required. However, because of the location of the interviews, the small number of employees at the head office and that some of the information was specific to their departments, it is possible to assume that the interviews would not be kept anonymous within the company. Therefore, they might restrict their responses to not reflect negatively on the Intersport and its business strategy.

Regarding the phone interviews, the lack of face-to-face interaction was later compensated with additional meetings due to the caption of body language and silent behaviours. To avoid misunderstandings and make it easier for the respondents, the interviews were conducted in both the authors’ and respondents’ native language Swedish. As the interviews took place, both authors were present. The interviews were recorded with the respondents’ permission, still one of the authors made notes, as the other one was responsible for asking questions and keeping eye contact. Again, this was done to establish a comfortable situation for the respondents (Alvesson, 2003). Afterwards, the interviews were transcribed in Swedish. As the empirical part was written the respondents’ quotes were translated by the authors into English. The translation has been conducted with the authors’ best effort to make the respondents’ Swedish statements as similar as possible in English.

3.3.6 Observations
In addition to the interviews the authors of this thesis have conducted observations at Intersport’s headquarter, warehouse, in the physical stores and in the online store. There are several reasons for this. The first one has to do with the complexity of the retailing industry and Intersport as an organisation. By complementing the interviews with observations, it became easier for the authors to understand the Swedish sports retail industry. This later enabled the authors to explain the empirical material to the readers, since they had an overview of the process. For example, it is hard to visualise the customer journey without having observed it in both the physical store and online store. A second reason is that by observing the
head office operations it is possible to understand the opportunities and problems related to the integration among the departments.

3.3.7 Secondary Data
The secondary data has been a significant part of the process producing the thesis. It helped the authors to gain an overall understanding of the retailing industry, omni-channel retailing, supply chain management and change management. The secondary data have been retrieved from scientific reports, academic articles and academic books. The online material has systematically been collected from the University of Gothenburg’s Library Search Engine, Emerald, Scopus, Web of Science, Google Scholar and PubMed. The keywords that have been used in the search process is “Multi-Channel”, “Omni-Channel”, “Supply Chain”, “Retailing” and “Change Management”. Secondary data has also been used when gathering external information of Intersport, as the authors have read news about Intersport and its competitors.

3.4 Empirical writing and data analysis
As the interviews were transcribed, a three-step process was used to pinpoint the most important information received. Deriving from the framework by Collis & Hussey (2009), the interviews needed to be transcribed, and later reduced to a less extensive material. Later, the transcribed material was coded into frequently mentioned categories in the interviews. These categories created themes of the interviews, which was visualised by mind mapping. This by using the software Xmind, see appendix three for an illustration of the thematic mapping. The mind map was the last step of Collis and Hussey’s (2009) step process, providing the authors with a graphic illustration of the data generated from all interviews and observations. This was later used when creating the empirical part and analysis chapter of the thesis. As the empirical results are written in a narrative style, the authors have merged all interviews into one story of how Intersport changed in the years 2014-2018. The first part of the empirical results is also inspired by the change kaleidoscope by Hope Hailey and Balogun (2002), further explained in the theoretical chapter. As the empiric chapter was written, the focus was on telling the story as similar as the respondents described it in the interviews. However, the authors have chosen to write out which interviewee said each quote in the empirical chapter to balance the respondents’ integrity with the transparency towards the readers of the thesis.

Nevertheless, the analysis can still be criticised for four main reasons. First, using an interview framework might force the interviews to focus on the non-vital parts of the change process, and therefore miss the important parts. Even though a pilot study was conducted, the interview framework could have steered the interviews into the wrong direction. Secondly, the translation from Swedish to English may have caused smaller translation errors, which does not capture the full nuance of the language (Xian, 2008). This means that appendix 1-3 could be affected. Third, the authors’ ability to capture the respondents’ replies, without making their own assumptions about the full meaning of the replies might be limited, including what is left out
or polished in the answers given (Alvesson, 2003). Finally, the analysis method used aims to help the authors to limit the data and visualise it in a simplified way. However, when simplifying a case its context could get lost, which might limit the understanding of the case.

3.5 Research Quality
The research quality is about legitimizing the research to the audience. It is an important part because it guarantees that the data is trustworthy, objective, applicable to other settings and provides consistency (Lincoln & Guba, 1985; Bryman & Bell 2015) According to Bryman and Bell (2015) this can be questioned when it comes to qualitative studies that have a more subjective approach with little focus on measurement. Because of this Bryman and Bell (2015) suggests that qualitative research can be evaluated by examining the trustworthiness and authenticity. Trustworthiness can be divided into four parts; credibility, dependability, transferability and, conformability. The thesis will therefore use these factors to be able to evaluate the research quality.

Credibility is the first criteria for achieving trustworthiness related to the internal validity, which explains how trustworthy the study is. It also concerns the social context of the research where the perceptions of the truth between several sources can vary. Thus, credibility is of high importance for the researchers (Bryman & Bell, 2015). To address the credibility of this thesis several actions have been taken. First, a pilot study was conducted where the authors discussed the subject and got an insight into the details of the organisation of Intersport and its omni-channel strategy. Furthermore, the authors have studied academic literature about the relevant theories to ask appropriate questions during the interviews.

The second factor discussed by Bryman and Bell (2015) is transferability, which refers to the degree that the study can be generalized. This is a single case study that explores one specific company within a change process to respond to a market in change. Because of this, one can argue that the generalizability of this thesis is rather low. However, it can give an indication for researchers what processes that are important for managers when changing their organisations towards an omni-channel structure. Intersport is also one of the market leaders in the Swedish sports retailing industry that has communicated an omni-channel strategy for a long time (Intersport Sverige Aktiebolag, 2014)

The third factor is the dependability of the thesis. With respect to the consistency of the thesis, meaning that the study can be repeatable by another researcher in another setting. One way of achieving the consistency of the thesis is to use an auditing approach. When using an auditing approach, the researchers keep comprehensive documentation of the research and clarification process with sampling and clear notes from the interviews and later transcribe what has been told during the interviews (Bryman & Bell, 2015). The supervisor at Intersport has also worked as an auditor since the authors have been able to ask the supervisor questions to gain clarity...
about difficult topics at multiple duration. In addition, the supervisor and CFO of Intersport made a final auditing when fact-checking the thesis before the final hand in.

Lastly, the conformability is a measure of the level of bias that the participants are showing towards the research (Bryman & Bell, 2015). Since it is a qualitative study complete objectivity is almost impossible to achieve, and not necessarily desired (ibid). One way of increasing the conformability in a study is to use previous research and confirm or reject the previous literature in relation to the study (ibid). This stresses the importance of being thorough in the literature collection as well as keeping the authors’ personal values separate from the process. This is something that we have had in mind during the entire process.
4. Empirical Findings

Within this chapter the empirical findings will be presented. The first part contains background information of the Swedish sports retail industry, followed by a short introduction of Intersport’s operations. Later, the start point of Intersport’s omni-channel change process is described using the change kaleidoscope explained in the theoretical framework. Finally, the main activities connected to the omni-channel journey is further discussed, along with Intersport’s current activities.

4.1 The Swedish sports retailing industry

In 2017 the Swedish sports retail industry had a turnover of more approximately 27 billion SEK. On average 10 percent of the total sales can be derived from online purchases in the same year. In comparison to 2013, the share of online sales had doubled (E-Barometern, 2017). The Swedish sports retail industry has historically been characterised by a lower degree of digitalisation than the rest of the fast fashion industry. Although, this trend has been shifting. Since 2016 the industry, had one of the highest growth rates, in terms of share of purchases that have been made online compared to physical stores. The switching trend is expected to grow even further. This anticipation is because of the similarities to the fast fashion industry which currently has an even greater share of online sales (ibid). Similar to the whole retailing industry, the digitalisation trend has made the Swedish sports retail market exposed to global competition. The trend speaks in favour of the customers, with high demands of retailers’ transparency, availability and, their own freedom of choice (Hultman et al, 2017).

In the sports retail industry, the average margins have been getting lower since 2010 (Svensk Handel, 2017). This can to a large extent be explained by the increased level of competitiveness within the industry. The increased digitalisation in the industry has made it possible for retailers with online stores to expose themselves to Swedish customers (ibid). Another reason for the lower margins is that the Swedish customers tend to do research online more frequently before they purchase the products. This has resulted in a higher price and assortment awareness among the customers (E-Barometern, 2017). Although most of the growth in the sports retail sector is enabled by the online channel the physical store is still expected to play a large role in the future (Johnsson et al, 2015). Online stores are often preferred by customers because of lower prices, comfortability and the lack of products available in physical stores. On the contrary, physical stores make shopping fun and enables the customers to see, feel and try products before purchase (PostNord, Svensk Digital Handel & HUI Research, 2018).

4.2 Background of Intersport Sverige AB

Intersport Sverige AB has a history of sports retailing since the 1960’s. Since 1974 it has been a part of the world’s largest sports retailing chains, with approximately 5500 stores in over 40
countries. In 2011 Intersport launched its first Swedish online store. Today, mid-2018, the online store is customised to fit computers, tablets and, smartphones and generates almost 10 percent of Intersport’s total sales. However, the largest part of Intersport’s total sales, and where the largest profit margins of sales come from is the physical stores. Compared to the rest of the Swedish sports retail industry Intersport has had a low share of online sales but seem to be catching up with the trend (PostNord, Svensk Digital Handel & HUI Research, 2018). Even though Intersport has a majority of sales in the physical store, the company was ranked the most omni-channel ready firm in Scandinavia already in 2015 (Avensia & Yougov, 2015) as well as the best Swedish online retailer 2018 (Ehandel.se, 2018). However, Avenesia has consulted Intersport with developing Intersport’s omni-channel IT solutions (Episerver, 2014). Nevertheless, the omni-channel strategy trend is only in its emerging phase among Swedish sports retailing industry and Intersport is one of the major players contributing to its developments.

4.3 The omni-channel journey
To explain the starting point of Intersport’s omni-channel journey, the change kaleidoscope by Hope Hailey and Balogun (2002) was used as a support tool. Like any change process, Intersport’s situation in 2014 created both constraints and enablers for change which set the foundation for managerial decision making. However, the omni-channel change process took off when Intersport’s board realised that the firm could benefit from a centralisation process. By centralising the organisation Intersport would be able to achieve improved economies of scale by lowering the purchasing costs of products to all stores and further develop the online store. At this stage, Intersport needed a more user-friendly online store because it was lagging behind new competitors who had entered the sports retailing industry by taking market shares through online sales. More than 90 percent of Intersport’s sales were generated by the traditional physical stores. Even though the industry trend showed that the main expansion of the market was likely to occur solely through online sales.

4.3.1 Great diversity and low readiness for change
In 2014 and 2015 there was a large discrepancy among the internal stakeholders within Intersport regarding the centrally owned online channel. Intersport was at the time owned by franchise owners who were also physical store managers. The owners had their own financial targets and extensive customer knowledge within their separate geographical locations. In essence, the online channel was considered a threat by the franchisers’ own businesses. They were afraid of sales cannibalization between the channels which would not benefit their own sales. The main reason why, was that there were no financial motivators for investment in a common online store, according to the owners.

“I believe that only a few people* would say it is a competitor today. But, three or four years ago, everybody said so” (Petersson, 2018).
(* = referring to Intersport’s store owners)
“And why would they want to pay for a competitor? Because that was how they pictured it. Nobody would make money by a central Intersport”
(Petersson, 2018).

The diversity among the internal stakeholders at Intersport could be pictured as two separate groups. The “pro centralised team”, mainly represented by the board, and the “pro decentralised team”, mainly represented by the owners. The great degree of resistance among the physical store owners indicated a low readiness of change, as the willpower of change initiatives was low among this part of the workforce. Because they found the investments suggested to be harmful to their physical stores’ sales. The board encountered a situation where it was difficult to please most of the owners and simultaneously maintain their market position with the increased number of competitors in the sports retailing industry.

4.3.2 Shift of power structure and expanded capacity
To make the necessary changes at Intersport the Project Management Office (PMO) had to work around the owner resistance to give more power to the board. As a result, the PMO initiated a project building a business case based on getting the majority of owners to vote for investments to centralise the organisation and change the online store. In August 2015 a venture capital firm found the business case attractive and bought 70 percent of Intersport. With the new resources gained from the venture capital firm the board could turn the business case into reality. In short, the venture capitalist’s resources were used when Intersport bought 70 percent of the physical stores and thereby got a majority to vote for new investments in rebuilding the online channel. With this centralization initiative the decision-making power increased among the board members. Together with the new capacity and support from the venture capitalist they could finally invest 90 million SEK in the underdeveloped online channel.

4.3.3 Tight timeframes and need of preservation
When the first part of the business case was finished, the next steps followed rapidly. With a tight timeframe, the PMO wanted to roll out all changes needed to fulfil the omni-channel supply chain as soon as possible. The activities derived from the omni-channel project was split into two main projects due to two very strict deadlines. The projects were internally called “The point-of-sale system project” and “The online channel project”. The point-of-sale system is a combination of software and cash register hardware that allows the in-store personnel to make transactions with customers and enables other in store operations, such as estimating the average sales and displaying inventory. The urgency and main reason for the strict deadlines were close termination dates of third-party contracts. Previously, Intersport had been stuck with long-running contracts and unmodern solutions constraining its possibilities to change its 3PL partners and point-of-sale system. This had caused Intersport’s operations difficulties before, for instance by constraining its possibilities to expand the inventory. Therefore, it was important to implement sufficient solutions, since the warehouse and point-of-sale system solutions are crucial parts of the supply chain. The possibility to integrate both projects with the rest of the organisation was a baseline requirement when implementing the omni-channel
strategy. As Intersport’s board agreed years ago, the fixed termination date for the point-of-sale system contract was set to September 2017. The PMO, together with the IT department, wanted a more modern system. In addition, the 3PL contract was finished at the end of 2017, stressing Intersport to have a new solution in place for their logistics at the 1st of January 2018.

“If we would not have had these contracts, we would have done these changes earlier, because we realised it needed to be done already in 2014” (Petersson, 2018).

“I really would have wanted everything done yesterday, but that is not possible” (Wibergh, 2018).

Even though great changes were planned to take place, the deadlines were urgent due to the board’s decision of never letting the customers notice the change of the point-of-sale system. They did not want to close their physical stores, nor stopping the customers from purchasing online. Therefore, one could argue that the level of preservation in the customer’s point of view was very high, in terms of continuity and stability of service level provided to the customers during the period of change. On the other hand, the normal service level provided by the IT department in-house, was communicated to be lower than usual. Due to the IT skilled employees being occupied with the time-consuming omni-channel project, with higher priorities than daily support and maintenance of the other departments IT solutions.

4.3.4 The scope of change
In the initial phase, all employees were aware of the change process, as the decentralised franchise organisation turned into a more centralised organisation. Later, when the PMO initiated the two projects based on the point-of-sale system change and 3PL change, the pressure was put on the IT department and the operations management team to be able to present new substituting solutions. At different stages of the change process, different departments got affected by the omni-channel investments. In hindsight, one can say that the scope of the omni-channel change process affected the whole organisation. Similarly, when contemplating the four years of Intersport’s omni-channel change process a shift in employee capabilities has affected the firm’s projects and current recruitments, which will be further discussed in later parts of the empirical chapter.

4.3.5 Design of change process operations
Given that the projects affecting the point-of-sales system and logistics provider, the PMO and the board of Intersport had to approach the omni-channel strategy implementation with a certain change process design. The type of change was affecting the whole products supply chain and everyone working with it. The back end of the in-house supply chain was supposed to change, due to new warehousing. Also, the point-of-sale system was planned to change. The
overall scope of change was therefore affecting all core business decisions and a great majority of the employees. The speed of change was stressed and the time between receiving the monetary resources from the venture capital firm and the time of termination of the point-of-sale system was 25 months, and the warehouse 28 months. Therefore, the start point of the change was motivated by top management and had mainly been communicated to the rest of the organisation with one-way communication. When asked about the omni-channel strategy implementation, the business controller answered:

“I would say that it is mainly through e-mail from the marketing department since it is Johan* who runs the case” (Börjesson, 2018).

(* = Johan is the CDO of Intersport)

The style of change could therefore be described as forced from the board, who initially did not include the other employees in the early decision-making process discussing how to implement the omni-channel strategy. The target and main motivator mentioned both by the COO in 2015 and within the annual reports of Intersport was two goals (Svensk Digital Handel, 2015; Intersport Sverige Aktiebolag, 2016). The first goal was to become the best sport’s reseller and the second goal was to start making profits. The goals were accepted throughout the organisation. Still, the strategy to get there was a subject of internal politics and interventions of technical structure. There were employees who believed in Intersport’s legacy of being a traditional physical chain of stores without the need for additional channels. In contrast, there were ones who believed that the future of sales growth was online. Without anybody knowing what the future would hold, nor a having any specific role model to get inspired by, the board had to take bold decisions regarding their investments. The PMO, along with the board and a steering group, took a risk to set the omni-transformation in motion, without knowing the destination of the omni-channel journey.

“We have to ask ourselves ‘Why?’. This cost a lot of money. It takes a lot of learning by doing. Best practice is to look a little bit to the right and to the left, to see what makes the others doing alright. You cannot do everything at once. It is about finding out what can bring us the best turnover, customer satisfaction, seamlessness between the physical stores and the digital world” (Wibergh, 2018).
Figure 7: Timeline visualising the main events connected to Intersport’s omni-channel journey year 2014-2018, developed by the authors.

4.4 Omni-channel changes in Intersport’s supply chain
The main activities connected to Intersport’s omni-channel journey were running in parallel and were in the end very integrated with each other. Below the change activities are listed, all connected to the point-of-sale system project, logistics in the warehouse, IT systems, the online store project and capabilities developed within Intersport.

4.4.1 The point-of-sale system project
One of the main parts of Intersport’s omni-channel implementation was the point-of-sale system change. By switching the point-of-sale system, it was possible to design it to be compatible with an omni-channel solution for both online and offline sales. Intersport had the possibility to update the previous point-of-sales system as well, but that would have demanded large investments and without generating the needed results and was therefore not considered a reasonable option. The end of the point-of-sale system contract enabled Intersport to change the point-of-sale system and architect a solution that generated the most business value for the company.

“When it comes to updating the point-of-sale system it would have cost us an incredible amount of money. So, we discussed how it would be possible to make the investment worth by making it compatible with the omni-channel solution that we wanted” (Wibergh, 2018).

From the IT department’s perspective, it was a business case that had matured for a long time. They knew that the point-of-sale system placed in the physical stores were unmodern, and Intersport had been planning for a change for years. The IT department designed the new solution together with consultants and there was an open-minded culture during the idea generation process.
A new point-of-sale system supplier was chosen, and the parties discussed the needed features. By creating a platform where the online store’s engine was a part of the point-of-sale system’s engine it would be possible to achieve synergies such as having the same price in the offline and online store in real time. In general, an online store’s engine and the one that usually exists in the point-of-sale system have very different requirements. A point-of-sale system is built to manage campaigns, gift cards and bonus checks. However, it does not have to be able to work with the same number of checkouts at the same time as an online store, thus it can still be possible in the physical stores. The requirements on the technical solutions created by an omni-platform are demanding and it permeates through almost all systems in the organisation such as the point-of-sale system, ERP and the other parts. The systems need to have a well-designed interplay to be able to communicate as fast as possible but still provide a high degree of control for the developers and users. This is something that has been achieved with the new point-of-sale system.

4.4.2 Fully owned warehouse logistics

The first of January 2018 Intersport started using its own warehouse for a majority of its products, both to be sold through the online channel and in the physical stores. The warehouse is based in Nässjö in Småland, next to the national mail service PostNord’s central building. The warehouse is one of the most modern and technologically advanced in Sweden. A large share of the products handled in the warehouse are distributed by robots, placed in an autostore.

When the CEO of Intersport was asked about what activities can be connected to the omni-channel strategy, he replied:

“The warehouse is one essential part of this. We used to have a warehouse for the online store in Taberg, and another warehouse in Landvetter”

(Wibergh, 2018).

Intersport’s new warehouse is 25 000 m² and has four main stations. Currently, it is not fully used since a large space is left for further expansion of the operations. The four stations are the photo studio, the autostore, the manually handled stock and, the print station. The main motivator for Intersport deciding to end the 3PL contract and to start running its own warehouse was omni-channel supply chain demands high levels of control throughout the organisation’s logistics. The PMO realised that logistics had become a core process for Intersport. Therefore, they were determined to own their warehouse and all the processes within it. With the full ownership they desired to become flexible and get the ability to respond quickly to new customer demands. All operations were supposed to run without the frictions of two external parties having to defend their interests within the supply chain.
“What we are doing in Nässjö is becoming a way for us to differentiate ourselves from our competitors” (Petersson, 2018).

4.4.2.1 The autostore enables pooling
Within the warehouse the delivered products are being stored in a suitable space. The products that fit into the autostore boxes specific measurements are put in the autostore. This is the first-hand choice of placement, due to its high speed of picking the products to its assigned store. However, shoes, large sized products and products which are supposed to be personalised at the print station need to be placed in the manually handled stock place. This is due to the autostore’s space restrictions and inability to customise print orders. In the autostore all physical stores and the online store can place orders through a common IT system to the autostore. This makes it possible to stock all products together, without having to change any procedures dependent on where to deliver the products. Independent of whether it is supposed to be delivered straight to the physical stores or, specially packed to click-and-collect in store, or straight to the customers’ houses. As a result, the common ERP system therefore reduces both spaces needed for storage and manual handling of moving products.

4.4.2.2 The autostore enables channels to split orders
When using the previous warehouse, the suppliers kept some of Intersport’s products in their own storage space until half of the products had been sold in Intersport’s physical stores. This has now been changed, and all products are delivered to Intersport’s new warehouse at the same time. This is because of the greater space available in Intersport’s new warehouse, but also because the online channel being able to sell the products that have not been delivered to the physical stores. In that sense, it is easier to measure where a specific set of products are sold faster. Depending on the turnover in the physical stores, the next batch of products can be marketed where it is most likely to be sold as fast as possible.

“In principle, all I want is to have a faster and better turnover. Really, my goal in this business is to be able to achieve a higher product turnover with less money being used. Because we plan the product assortment, we can make use of every product in all stores” (Börjesson, 2018).

4.4.2.3 Further synergies among the channels
The autostore enables time savings that benefit the synergies among the channels. The common storage space enables the products to remain in the same physical place, even though the route plan of where to send the product changes. For example, independent if a physical store was planned to receive a specific t-shirt or if the t-shirt gets sold in the online store. It can still be distributed from the same storage space in the autostore without employees in the warehouse having to change their work agenda. In contrast to previous operations, when a product placed in a physical store was proved to be unsellable the purchase department employees have had
three options. First, reduce its price and let it stay within the same physical store. Second, keep the price, but move it to a different physical store. Third, keep the price and send it back to the warehouse to be sold in the online channel. However, all the logistics needed to move the unsellable products between locations cost both time and money, which increased the cost of handling the products. Finding the right amount of product sent to every store and channel is of importance to keep the marginal profit of sold products on the desired level. It is also of importance to measure the sales in a suitable way for internal accounting.

“I believe that it is of importance to divide the turnover numbers to fit with omni-channel strategy in the future [...] We are about to automate the process. When somebody orders something through the online store, but it is sent from a physical store, then the turnover should be accounted for in the specific physical store. Then we hope that the turnover will be equalized among the stores, to remain the desired turnover” (Börjesson, 2018).

4.4.3 The online channel project
Intersport launched its first online store in 2011. Later, in 2014 the site was renewed to adapt to new customer needs that had matured. At this point in time, the omni-channel strategy was communicated as an important step stone, both within the organisation and in public through its annual financial statement (Intersport Sverige AB, 2015). The 2014 version of the online store was less complex and had fewer customers visiting it compared to today’s online store. Today’s version of the online store was launched in September 2017 and constitutes the foundation of providing the customers with an omni-channel experience. One feature is for example the price of a product sold both through the physical stores and the online stores will always be equal at the same time. One of the most innovative enablers of the new online store is that the online store engine is built on the same IT system as the new point-of-sale system in the physical stores.

“This is one of the large risks that we have taken. Because no one else has done this. No one else has built an online store at this scale and with this level of integration with the point-of-sale system” (Petersson, 2018).

In contrast, competitors within the same industry as Intersport, have engaged in building online channel engines and afterward a point-of-sale system for it. As they have built physical point-of-sale system, with their own engine and then tried to create integration between them frictions occur. Because the separate systems must communicate with each other in a much more time-consuming manner. On the contrary, the solution that Intersport has chosen to implement enables the price in physical stores and in the online store to be changed in real time. The
system also creates an inventory visibility that works faster than other solutions. However, the IT system change for Intersport is far from done. The omni-project was started to create an IT platform that enables Intersport to change the information used faster.

“You can put it this way, it enables fast responses to requests. To ask for information about a specific article, its stock availability, everything, and then very quickly get an answer. So, instead of having the logic placed at the very front end of each sales channel we have moved it backward. To be able to faster implement new channels” (Wilhelmsson, 2018).

The new online store also has several differences in it is design compared to previous versions. One of the main changes in the online store is that it is built to attract the customers to the physical stores as well. For example, by displaying the inventory level in stores nearby the customers’ locations and offering free click-and-collect delivery in store. Another difference with the design in the new online store is that it provides the customers with a more frictionless experience. For example, by making it easier find the products that the customer is searching for and then complete the purchase. With changes in the layout of the online store and a higher compatibility for mobile phone usage, the ratio between customers that enters the online store and the number of customers making a purchase has increased dramatically. One of the focus areas within the organisation is on the new online store and it receives most of the investments.

“All we do now is determined by firstly the online store and secondly the physical stores. So, it is quite a shift in the working mind-set” (Wilhelmsson, 2018).

4.4.4 Capabilities
When it comes to the capabilities of the workforce, Intersport has changed to be able to provide the customers with a better omni-channel experience. In late 2017 Intersport added the position of CDO and hired him externally. The CDO is now taking the lead of communicating the omni-channel work at Intersport. Furthermore, the company has created a digitalisation and online store department where they have been recruiting new capabilities with experience from the digitalisation field.

“We must recruit individuals with cutting-edge expertise and with completely different qualities that we possess today” (Wibergh, 2018).

The omni-channel strategy implementation has demanded significant resources from the IT department. The point-of-sale system, online store and warehouse project over the overall
quality of maintenance service at the head office were prioritised. Furthermore, the omni-channel experience increased the requirements placed on the employees in the IT department. Because they need a higher degree of knowledge of the different IT systems. When Intersport had the online store and the other systems separated from each other it was possible to have a good knowledge in one system without knowing the other. Currently, they are interconnected, and this means that there is a need for a high degree of knowledge of all systems to be able to debug different problems and keep the service quality high. Because of the changes in IT systems, the employees working at the IT department must have greater system knowledge than previously to be able to practice their skills.

Since the warehouse function was previously owned by a 3PL this has also been something that Intersport’s employees have had to learn. Intersport has employed more than 40 individuals to work in the warehouse and to manage this requires new competencies. In the start-up phase of the new warehouse, the SCM has had to make weekly trips to the warehouse. The CDO has also been involved in the logistics solutions. This is due to the importance of getting a well-functioning flow of products, both to the physical stores and the online store.

4.4.5 Current initiatives
Intersport’s CDO wants to implement solutions that help the customers to have a pleasant experience shopping at Intersport and as an output generate greater profits. As the omni-channel supply chain implementation has gone through its most intensive stage a lot of heavy investments have been made. Still, there are many activities related to fine-tuning that has been initiated but not yet finished at Intersport. Following sections describe Intersport’s ongoing omni-channel work.

4.4.5.1 Increased responsibility for purchasers
The CDO’s focus is to create as little friction in as possible in the customer journey because that is what make the customers satisfied. The most critical friction is the stock availability. The CDO, along with the business controller, have further work ahead regarding planning to keep the right number of products in physical stores and the online store. As a step towards better stock planning the purchasers working at Intersport’s head office will get further responsibilities connected to the products purchased.

“After three months at Intersport, I understood the challenge and what we face today. Most importantly, we need to have the product in place. […] Independent of which channel is used for marketing and campaigns. If we do not have the product, in stores or online, the whole idea fails. Because all omni-channel strategy is just about having the product. It might seem flat, but that is the greatest insight I have had since we started this omni-strategy work” (Lidenmark, 2018).
“This requires great adjustments. You must understand this from a purchaser’s point of view too. You are responsible, from the purchase, until the product leaves the checkout. Before, the purchasers just bought, and then they had their backs free. But now it is responsibility along the whole way. That means that it is unessential where the product is sold, whether it is online or in a physical store. It really does not matter. We just need to find the right form for that. Actually, it is only the customer who can tell how we need to work. A greater focus on the customer than we have previously had” (Wibergh, 2018).

Another difficulty associated with omni-channel affects the purchasers is the price integration. Ideally, the price in the online store and Intersport’s physical stores should be the same at the same time. However, this is challenging because of the winter season end earlier in the southern parts of Sweden, compared to the northern part. Because of this, it is better for the profitability if Intersport begins the sales of winter products earlier in the south, according to the business controller.

4.4.5.2 Further IT investments
The future direction is set for Intersport’s IT system, which has been rebuilt from the foundation. The forecasted costs connected to IT is mainly fine tuning and maintenance of Intersport’s technical, infrastructural and, logistical standpoint. With regards to the future of omni-channel there are several things that are changing. For example, Intersport is searching for inspiration among fast fashion retailers and food chains for service-oriented solutions. Some of these companies have started using digital price tags, which makes it easier to have a higher degree of consistency between the different channels in pricing.

“We have something that we did not have before, the ability to give the customer a better journey than before and offer them an omni-channel experience. Even though there is a lot to be done until we are fully there” (Petersson, 2018).

4.4.5.3 Adapting the physical stores to omni-channel solutions
Concerns regarding the existing physical stores vary among the interview respondents. A few themes of change objects mentioned are the physical stores’ locations, size, number of products within each store, the ability to order online in a physical store and the sales personnel’s role. Thus, a common concern is that it is hard to tell what the customers will appreciate improving the customer journey. It is a question of customer maturity, whether customers are ready for shopping across channels and whether they feel comfortable to order online through a physical store. As the online channel gradually becomes more of a customer baseline requirement, and more customers will feel safe shopping online. This scenario opens for downsized stores with
only smaller selections sold in the store. Smaller stores would reduce current rent costs. As the stores become smaller, they can be interpreted as small showrooms showing a limited selection of what is available online and use a digital shelf for the other product assortment. The stores’ main function could become delivery and drop off points for items sold online. With such mind-set, the stores’ might need to be relocated.

4.4.4.4 Changed perspective on performance in different channels
The omni-channel transformation has affected for Intersport is that the steering mechanisms that are currently being used are becoming less important. The KPI:s are not as relevant as they use to be, and this is a challenge for the entire industry. If the online store is pulling customers into the physical store to make a purchase should a part of the sale be accounted for in the online store? Similarly, if a customer makes an online purchase with the help of the personnel in the physical store, should they then get a share in the sale? Intersport has tried to create new balanced scorecards that are more relevant to omni-channel retailing. Although, these have not been implemented in the financial reporting nor the decision-making.

“Suddenly, the purchase ratio is not as important, instead it is other key performance indicators. And not only in the stores, but in the warehouse as well” (Wibergh, 2018).
5. Analysis

In this chapter the empirical findings are compared with the theoretical framework. The differences and similarities of Intersport’s case and literature will be analysed. Intersport’s omni-channel supply chain is applied to the model inspired by Saghiri et al., (2017) and Hübner et al., (2016). Finally, challenges and motives are discussed related both to theory and practice.

5.1 How the Swedish sports retailer implemented its omni-channel supply chain

According to Saghiri et al., (2017) there are several supply chain traits that can be derived to an omni-channel customer experience. The authors claim that there should be integration in all stages of the customer journey and in the product information provided along the journey (ibid). There should also be integration between the offline and online channels. Hübner et al., (2018) add to the research by discussing the different offers that can be provided to the omni-channel customers. For instance, home delivery, store-pickup, third party pickup, store purchase, store return, post, home and drop of point, see Figure 8. When summarising the results of studying Intersport, it shows that there are a few projects that have enabled these listed offers that contribute to an omni-channel customer experience. First, the point-of-sale system project helped to enable integrated pricing, integrated product information and integrated reverse logistics. Secondly, the online store project has resulted in a higher level of integration in the physical store and online store channel’s promotion, integrated pricing as well as integrated product information. Thirdly, the new warehouse enables product information, integrated order fulfilment and integrated reverse logistics. Finally, the changing capabilities of the employees working at Intersport have created the foundation for all these projects and thereby supported the implementation of omni-channel supply chain.

![Figure 8: Authors’ own illustration inspired by the omni-channel model by Saghiri et al., (2017) and Hübner et al., (2016) combined with the characteristics found at Intersport.](image-url)
The first factor that has enabled an omni-channel supply chain is the change in the point-of-sale system and its connected IT system. The change has given Intersport the ability to use a price integration, meaning that a product’s price is set centrally, affecting all channels at the same time. This is also found by Saghiri et al, (2017) as desirable for companies moving towards omni-channel retailing since it gives the customers a more coherent view of the company. Furthermore, it has enabled Intersport to have integrated product information. Since the IT system works faster, with an online store developed to fit the same engine. The importance of providing the customers with information about the product stock inventory in both the physical stores and the online store in real time is also discussed in Lin (2012), Lewis et al, (2014) and Saghiri et al, (2017). Hübner et al, (2016) also find it important for retailers to be able to use the physical store’s inventory while making a purchase online to achieve a faster delivery. Similarly, Palmer’s et al, (2017) change management view on how firms can stay relevant in markets with new technologies, Intersport new point-of-sale system has created the possibility for the customers to use click-and-collect. This means, that the customers can order something online and pick it up in the store and thereby get the product faster than if it would have been delivered home. These types of offers are in line with literatures suggestions for successful omni-channel offers (Hübner et al, 2018).

A second project that can be related to the omni-channel experience is Intersport’s new warehouse. Neslin et al, (2006) and Hübner et al, (2018) claim that there is an advantage of synergies between the channels in the warehouse. By having the online store and offline store inventory within the same warehouse and with the same pickup, synergies are enabled. The new autostore within the warehouse has enabled Intersport to pool its physical stores’ inventory together with the online store’s. Furthermore, the fixed number of products that each store get at the beginning of the season is becoming smaller to achieve a more customer demand driven inventory, similar to what is promoted by Bhatnagar and Syam (2014) and Hübner et al, (2015). As a result, the products get stored a longer period of time in the in the warehouse, rather than in local physical stores. Therefore, the customers shopping through the online channel will experience less friction with higher rates of stock availability. However, Intersport has not achieved yet achieved synergies by pooling the physical store and online store product transportation. As the transportation from the warehouse pick up the online and physical stores products with different routines to different costs, dependent on the chosen pick-up place. Saghairi et al, (2017) also stress that integrated order fulfilment includes the ability for the customers to change or stop the order before it is sent. This is something that Intersport currently do not allow. After an order number is created the order cannot be changed and must be sent to its customer. In this case, the speed of delivery to the customers has been prioritised over flexibility. This also displays some of the current problems with an omni-channel supply chain as one omni-channel solution excludes the use of another. Even though this might change when the technology catches up to facilitate both.

The omni-channel supply chain integrates all channels to create an optimal unified experience for the customers (Mansfield, 2014). Oh et al, (2012) further note that consistency between the
channels is one of the most crucial aspects of omni-channel retailing. This has been taken into consideration at Intersport. Intersport’s new online store addresses these omni-channel aspects by using a design that does not only serve to sell as many products as possible online, but also to act as a source of product information for the customers who are about to visit the physical stores. Saghiri et al, (2017) claim that it is of importance that the promotion is interpreted by the customer in the same way across the channels. It is also crucial to offer the products to the exact same price in all channels at the same time. This is taken into consideration within Intersport and it is enabled by the new point-of-sale system. Since the IT systems offer the possibility to keep the prices consistent between the channels and the inventory levels get updated when products get purchased.

Highlighting the contextual factors of capabilities and power described in the change kaleidoscope by Hope Hailey and Balogun (2002). The capabilities, skills and knowledge, combined with managerial power, the PMO initially took one of the main roles in making the omni-channel projects possible. In late 2017 a CDO was hired to focus the digitalisation progress within Intersport, taking over the leadership within the PMO’s projects. The PMO, later appointed as CFO, and CDO has therefore been important enablers for the change process given that they have used managerial power when implementing the strategy throughout the organisation. However, the capabilities within the IT department was initially not enabling the change process enough. Consultants were hired to increase Intersport’s capabilities in the initial phases of the online store and point-of-sale system project, though the IT department has been involved in developing new systems and solutions. However, the online channel project has been ambidextrous in terms of the level of preservation. In the customers’ point of view, the change process has caused no interruptions in the online and offline sales stability. On the other hand, the increased workload with the online channel project, the workload increased for the employees in the IT department. As they prioritised the launching of the new online store, the level of internal preservation was in favour for the omni-channel projects, and the internal service level was lower than usual.

5.2 Challenges affecting the implementation of an omni-channel supply chain

The four main challenges that have affected Intersport’s omni-channel journey is first, the initial lack of sufficient managerial control. Secondly, the gathering and usability of customer data. Thirdly, the need for new IT systems and technology tools. Lastly, the accuracy of evaluating Intersport’s channels.

5.2.1 Managerial control

Gaining managerial control has been a major challenge in Intersport’s omni-channel implementation. The diversity among the stakeholders within Intersport has been divided into two parties, as visualised by Hope Hailey and Balogun’s (2002) change kaleidoscope. The diversity created a barrier to change, which had to be eliminated to successfully implement the new online channel. Since it was a clear discrepancy among the goals of the physical store’s
management and the management that controlled the online store. Intersport’s management can be connected to Zhang et al, (2010) who explain that multi-channel retailers often have separate management and separate goals for the different channels. In addition, Hübner et al, (2018) argue that there is a need for higher managerial control in the omni-channel supply chain because of the integration among the flows of products and information between the channels. This can also be supported by the changes that have occurred in Intersport. By fully owning the warehouse, changing the point-of-sale system and online store, Intersport has managed to achieve more control over the supply chain. From Intersport’s perspective, the customers’ demands are changing with regards to the expectations that they have on the speed and traceability of delivery and return management of the products. Therefore, Intersport’s management has been aiming to take control over the warehouse as it becomes easier to respond to the customers' expectations.

5.2.2 Customer data generation
According to Zhang et al, (2010) a challenge that occurs in omni-channel retailing is how to integrate the new data that is generated. By knowing how the customers use all channels it is possible to get a better picture of what the customers demand and help the retailer with creating a seamless experience (ibid). The challenge is that the data previously have been analysed separately (Verhoef et al, 2010). For example, this means that the physical channel tracked its customers’ behaviours and the online channel the other customers, but no one was trying to make sense of the complete customer journey between the channels. According to Herhousen et al, (2015) a strategic advantage is generated when the data integration systems between the physical and online store are high since it can process greater amounts of information. Intersport, similar to other retailers in the same industry, struggle with making use of all the data that they have received in their different channels. One of the major challenges is to understand the customer journey to create solutions that are demanded. To address the challenge of understanding the data that is generated in Intersport’s combined channels the company is hiring new employees with skills and knowledge connected to digitalisation, analytics tools and e-business. Since omni-channel retailing is about creating an optimal and unified experience for the customers it is important that the insights gained from analysing the data are used to improve customers’ interaction with the different channels, rather than create solutions that are not demanded (Mansfield, 2014).

5.2.3 IT Systems and technology
Zhang (2010), Lin, (2012) and Lewis et al, (2014) raised a question whether the system technology within the organisations is not able to fulfil the needs of the retailers’ inventory, logistics and speed. The challenges with the system technology not having the capabilities that are needed are also something that has been highlighted in the process of Intersport’s omni-channel journey, in the point-of-sale system project, the online channel project and the warehouse. In all these cases the IT systems have been a challenge since there was no solution that was able to fulfil the needs of Intersport available on the market. As Orlikowski, (1996) pointed out; no technology and market will remain the same if they wish to remain relevant to
its customers. Therefore, Intersport’s IT department worked together with consultants to create a state of the art system that neither of the consultants had worked with before. This forces the IT department to learn new capabilities, system knowledge as well as prioritize their time towards these projects. Furthermore, the scale of the investments and the risk that the company took while trying to achieve an IT system that was suitable to meet the demands of the customers and omni-channel retailing. This is consistent with Lewis et al, (2014) and Lin, (2012) who claim that the heavy investments are making it hard for retailers to move to the systems that are necessary to give the customers an omni-channel experience.

5.2.4 Evaluation of different channels
As Neslin et al, (2006) discuss, omni-channel challenges can derive from reallocation of resources. Intersport has invested over 90 million SEK in its new online channel. The communication within Intersport has made it clear that the online channel has been prioritised and set the framework of how the physical stores should be interpreted. However, the physical stores are also studied by Intersport’s business controller, to evaluate their futures. The aim is to maximize sales turnover and some of the physical stores will soon be considered insufficient. Though, it takes resources to integrate all stores to fit with the flows of products, Hultman et al, (2017) emphasise a sufficient integration level among all physical stores as a success factor. Åsbrink et al, (2017) open for the opportunity to use physical stores as showrooms and distribution centres rather than pure sales points. Likewise, for Intersport, the physical stores will need to adapt to new shopping patterns. Which means that the physical stores will to a large extent aid the online sales by being pick-up and drop-off points as well as marketing the online store.

The common tool for evaluation of sales channels is KPI:s. The KPI:s are rigid, but the retailing industry is being challenged by the omni-channel trend. Currently, there is no industry standard KPI:s that is fully adapted to omni-channel retailing, and retailers struggle with finding accurate ways to evaluate performance among the channels. This is in line with current research (Ailawadi & Farris, 2007; Neslin & Shankar, 2009) who claim that the KPI:s and incentive programs is getting irrelevant because of the shift in the customers’ behaviours connected to omni-channel retailing. From a change management perspective, the KPI:s also indicate what is desired, and what should be the main target of operations (Palmer et al, 2017). In order to change employee behaviour and operational outputs, it is also important to pinpoint what the target, and KPI:s are (ibid). The employees working in the physical stores need to have similar incentives for promoting the online channel as they have for their own sales. In the case of Intersport, steps have been taken to solve this challenge. One of these steps is the creation of a new balanced scorecard that will create a better picture of all the channels combined rather than separately. It is stressed how hard it is from an organisational change perspective to implement these new KPI:s since the ones that they are currently using are becoming less relevant.
5.3 Motivators for pursuing an omni-channel strategy
Brynjolfsson et al, (2013) argue that omni-channel strategies are becoming more popular since it is predicted to be a key to competitive advantage in the future of retailing. The two main reasons why are increased customer demand, improved profitability. These two motivators will be further discussed in this section.

5.3.1 Customers demand
The omni-channel trend is pushed by the customers (Wallace et al, 2008; Neslin & Shankar, 2009; Forrester, 2014). In the case of Intersport, this seems to be the case to some extent. Since the online channel growth in the industry is much higher than the physical stores’ sales and is expected to continue in the same direction, it became apparent that investments in the online channel were needed. Moreover, it was emphasised that the customer journeys for many of Intersport’s customers were changing. Most of the customers are currently making their research online before they visit the store, which was not the case a few years ago. For Intersport, it is of importance to use its online store as a marketing channel for the physical store as well. The current online store does not only work to sell products but to inform the customers and attract them to the physical store as well. This concurs with Jonsson et al, (2015) who claim that the online store is used as a marketing tool to convince the customer to go to the physical store. Intersport’s interviewees agree with Saghiri et al, (2017) who claim that the physical stores need to drive the customers to the online store. Intersport’s point-of-sale system has made this possible by displaying the inventory of the online store as well. However, since no incentives have been implemented at this point for the physical store’s personnel to drive sales in the online channel. Hence, this transformation has not been as developed as Hübner et al, (2018) suggest.

While the growth in the online sector and the increased research before a purchase can be derived to the demand of omni-channel retailing. It is important to note that these are trends that Intersport is responding to. The notion is not that the customers demand omni-channel retailing, but that the customers are changing their shopping behaviours and that Intersport is responding to the changes. However, Jonsson et al, (2015) highlight the customers’ various levels of willingness to shop online. Though the trends speak its clear language of the sport retailing industry almost solely grows online (PostNord, Svensk Digital Handel & HUI Research, 2018), the level of customer maturity could still be considered a constraint, rather than an enabler for Intersport.

5.3.2 Profitability
Brynjolfsson et al, (2013) claim that the increasing popularity of omni-channel strategies derives from a desire for competitive advantage among retailers. The competitive advantage will be created when a retailer manages to meet customer demands by using customer data and become profitable (ibid). The profitability connected to omni-channel has been discussed both among researchers and practitioners within the retail sector (Zhang et al, 2010). Greater
profitability can be achieved with lower costs or higher revenues. Profitability, because of high revenues has been argued to positively connect to omni-channel strategies. As the different channels can create synergies, where the customers’ perceptions of the channels affect each other (Herhousen et al, 2015). Similarly, the CDO at Intersport tells that Intersport’s marketing department has started to create material both useful for the online marketing and the physical store to make the channels more alike. A positive buying experience, online or in a physical store, is always reflecting well on the brand. Therefore, all interviewees at Intersport agree that both the online store and physical stores must work both as sales channels, but also marketing tools for the other channel to create as much value as possible for the central Intersport. Initially, Intersport had a problem with fear of cannibalization among the sales channel, which has decreased over a period and is no longer existing among the personnel according to the interviewees. Zhang et al, (2010) claim that the average omni-channel retailer has higher costs than the average single-channel retailer due to heavy investments and multiple operations. Although, this was not considered by Intersport when moving towards omni-channel retailing. In terms of profits that can be generated by cost-saving synergies among the channels, the building of Intersport’s new warehouse has initially required heavy investments. However, it is calculated to be able to help Intersport generate future profits. The rationale is in it its scalability, which will aid both channels and improve sales turnover among the channels. However, Intersport is still working on how to lower costs connected to reverse logistics, even though the returns can be done in any channel at no extra cost from the customers’ point of view. The handling of returned products is still not fully automated, and behind the scenes, lots of improvements can be done.
6. Discussion

Within this section the authors elaborate on the empirical findings in this thesis. Problems regarding conflicting elements in omni-channel retailing are discussed. Then questions with regards to omni-channel retailing as a concept is raised. Finally, one of the greatest challenges in the case company omni-channel journey is discussed to visualise the complexity of the omni-channel pursuit.

In the process of making this thesis it has become evident that omni-channel retailing is complex and hard to achieve for retailers. It is associated with several challenges retailers when implementing it but can also be encouraged by motives linked to previous omni-channel theories. Nevertheless, the literature in the omni-channel research field did not indicate the conflicting elements that come with the concept and that have been exemplified in this study. The three following instances constitute problems caused by omni-channel retailing.

First, omni-channel retailing is associated with a coherent view of the retailer’s brand and requires integrated pricing, meaning the same price in all channels at the same time (Saghiri et al, 2017). However, in the case of Intersport seasonal differences create different demands from the customers in the south and north of Sweden. As the winter season is longer in the north, it is considered necessary to start the spring sales earlier in the south. As a consequence, the transparency created by the national online channel, might not be in favour of Intersport’s profitability. Therefore, there are financial motives against integrated pricing from the retailers’ perspective. This challenge has not been discussed in the omni-channel literature before.

The second example is concerning omni-channel reverse logistics, enabling the customers’ choice of returning products bought at any store. In the case of Intersport, the product assortment varies between the stores because the company has tried to adapt different stores to the different customer bases. Thereby they are creating a more personalised experience to the customers in certain locations which can be derived as an optimal and more seamless experience for the customers as explained by Mansfield (2014). However, the product that has been purchased in one store and returned in another might not exist in the second store’s assortment. Therefore, the odd product might need a price reduction to be sellable. Again, this is a contradiction of the omni-channel principle of integrated prices among all stores at the same time.

The third example is the increased usage of customer data to create a seamless customer journey. The data is supposed to map the customers’ behaviour and preferences and thereby create seamlessness. However, a too personalised offer for each customer might affect the
coherency of Intersport’s promotion and brand perception. As integrated promotion is a requirement for omni-channel retailing this must be taken into consideration.

Another thought that has not been discussed in the omni-channel literature is connected to baseline requirements of being a retailer. The challenges that we have found in the literature are with regards to managerial controls, customer data analysis, evaluation of different channels, IT systems and technology. However, one of the most important challenges that have been discussed in Intersport’s omni-channel journey have been the stock availability. If the products are not in place when the customer wants it, they will not have a seamless experience. Having the product in place might seem like an incremental service for a retailer but it exemplifies the challenges that come with the shifts that must occur in an organisation’s supply chain when moving towards omni-channel retailing. Omni-channel retailing can create complications in all parts of the supply chain.

A final thought that has been raised during this thesis, is the concept of omni-channel retailing as described in the omni-channel literature. Intersport had already in 2014 communicated its vision to become an omni-channel retailer. Today, the company communicates that it is one of the leading omni-channel sports retailers. Although, after conducting several interviews with different stakeholders at the company it seems that achieving a higher customer market share and turnover by giving the customers the best experience on the market is the most important aspect and that this sometimes contradicts the omni-channel vision with for example integrated pricing and promotion as described previously. This raises the question of whether an organisation can partly adapt to an omni-channel strategy? And if not, could it be that academic literature has had a to an idealistic point of view for omni-channel supply chains to ever exist in practice?
7. Conclusion

In the final chapter the authors present the final conclusions regarding the three research questions of the thesis. They also elaborate on interesting topics related to the thesis which could be further investigated within the field of academia.

The purpose of this thesis was to explore the pursuit of an omni-channel supply chain. Thereby, filling the academic research gap between what omni-channel retailing is and how to operationalise it by conducting a case study at Intersport. First, the empirical findings show that back in 2014-2015 Intersport had to go through an organisational centralisation with new owners, to invest in a new online store. Second, Intersport changed its point-of-sale system, creating a higher omni-channel experience with real-time inventories and unified prices. Third, a new warehouse was purchased, and it is now operated by Intersport’s own employees. The warehouse enables pooling among the products from both the online channels and the physical channel. This creates omni-channel synergies among the channels. Fourth, an update of the online channel was introduced, that was built on the same engine as the point-of-sale system and therefore could communicate faster with the physical stores. The design online store’s design was also changed to give the customer a more frictionless experience and promote the physical channel. The last and still ongoing project is the reorganisation changing capabilities and recruitment focusing employees with digital skills and knowledge.

Four main challenges have been affecting the omni-channel implementation. First, Intersport has increased the managerial control with new owners and IT systems. Secondly, the technology available in the market for the point-of-sale system was not sufficient and therefore Intersport had to develop one. Thirdly, the customer data that is generated is still not analysed to the full extent and this needs to be interpreted to understand the customer journey. Finally, the last challenge is the evaluation tools and KPI:s for analysing the omni-channel performance is still not in place, neither at Intersport nor in the sports retailing industry.

The motivation for Intersport to pursue the chosen omni-channel strategy is not necessarily to become an omni-channel retailer. Rather, it is about creating a good experience for the customers, to ensure sales turnovers and profits. Being in the middle of a paradigm shift creates insecurity for most retailers. Not knowing what the next trend will be, Intersport chooses to be ready for change with modular IT systems, a warehouse with large capacity for further changes and, employees with digital knowledge.
7.1 Future Recommendations

Within the academic field of omni-channel retailing there is still a small amount of research that has been conducted. Thus, all contributions to this academic field will be of significant value. Although, in this thesis, specific topics have been found which we believe could complement the research that we have pursued. First, it would be beneficial to clarify the theoretical term omni-channel further. By asking practitioners “What defines an omni-channel retailer?” secondary questions such as “Is omni-channel retailing achievable?” and “Can a retailer partly be an omni-channel retailer?” rises. Answers given would be interesting and contribute to a more nuanced description of omni-channel retailing. Additionally, further research regarding how other retailers have implemented their omni-channel supply chains are welcomed. No best practice has been described so far, and another single case study would emphasise the contrast that might exist between different omni-channel solutions. Also, studies within different industries e.g. the fast fashion industry, home-electronic industry or a comparable study would add value to the academic literature as well as managers in practice.

Finally, in the case of Intersport managerial tools, such as KPI:s, have not been adapted to omni-channel retailing. Since KPI:s have the power to motivate both higher level decision making as well as employee motivation it would be interesting to find a best practice for such measurements too. Today the KPI:s is lagging behind the industry and a study in this field would have the possibility to provide solid managerial implications.
8. References


Gallino, S., & Moreno, A. (2014). Integration of online and offline channels in retail: The impact of sharing reliable inventory availability information. 60(6), 1434-1451.


8.1 List of Interviews


Lidenmark, J. (2018, February 26) Phone interview with CDO [Phone interview with Bjärfors, T. & Hwang, A.]


Appendix 1: Letter of information sent to interviewees

Hello,

We will start by presenting ourselves and the scope of our thesis. If you have any questions, we would happily answer them before the interview starts.

The interview will be about:

- What are you working with?
- How is the communication regarding omni-channel within Intersport?
- How is your department affected by the omni-channel strategy?
  - For example, roles, systems, organisation and collaborations?
- What do you think about Intersport’s future omni-channel focus?

The interview is expected to take about 45 minutes to complete.

Thank you in advance! Hope to see you soon.

Best regards,

Tilde Bjärfors and Aron Hwang
Appendix 2: Interview guide

Start with a presentation of the authors, the thesis and the purpose of the interview before asking following questions:

- Do you have any questions before the interview starts?
- Do you mind if we record the interview for the purpose of transcribing?
- Would it be okay if your name or title is mentioned in the thesis?

The respondent’s role at Intersport

- Please, tell us about your daily work at Intersport?
  - How long have you been working at Intersport?

The organisation at Intersport

- How do you notice Intersport’s omni-channel strategy?
  - Changes within organisational culture?
  - Within your department?
  - Within IT solutions and networks?
  - Integration among different departments?

Communication about omni-channel

- How is omni-channel communicated within Intersport?
  - By whom, when and how?
  - Is it a discussion or one-way communication?
  - Which pros and cons are communicated?
  - Do you agree?

Changes due to omni-channel strategy

- How is the omni-channel strategy noticeable within your department?
  - Your role?
  - The structure?
  - Any challenges?

Motives for omni-channel implementation

- Why do you think Intersport wants to pursue an omni-channel strategy?
  - Any specific goals? Any given timeframe?
  - Are the goals achievable?
  - How is success defined?
  - Any challenges noticeable?
  - Do you think that is a healthy state for Intersport?