Description and case studies of O2O strategies

Background

1. Globally, there is a growing ecosystem of online platforms to help Food Services (FS) companies meet this demand for convenience through food delivery. Food delivery platforms[1], in particular, have been successful in helping companies reach out to a large customer base.

2. It is also important for companies to build their own channels and mechanisms to remain directly engaged with their customers, and collecting customer data. Through this, companies can achieve a better understanding of their online customers and continue to enhance their value proposition to them.

3. Companies that have already built a strong brand equity should consider developing an online-to-offline (O2O) strategy to guide the growth of their business in the long term. This involves developing a holistic and data-driven understanding of their customers and using this effectively in their marketing and sales across all online or offline channels.

	Benefits	Description
1	Derive deeper insights on consumer behavior and strengthen consumer engagement	• As customers become more mindful and increasingly looking for value, companies need to understand their customers' values better through data and insight. • More personalised offerings could be provided.
2	Enhance and maximise brand equity	• Companies can actively shape how customers think and feel about their brands by engaging with them in both online and offline channels. • Stronger brands can better stand out in a crowded market.

[1] Food delivery platforms refers to companies such as Deliveroo, foodpanda and GrabFood

Case Study

4. Company X currently delivers through an online delivery platform today with no direct engagement with the customer. To understand the customer better, Company X wants to work with a digital voucher management company to create unique vouchers that embeds the customer's transaction details in the voucher. For a customer to redeem the voucher, he/she has to leave a handphone number to receive a voucher via SMS. This enables the company to obtain the handphone number of their customer and his/her online delivery transaction details.

What data can be collected	How will the data be used for more effective sales/marketing in another online/offline channel
• Customer ID • Online delivery transaction details	Company can understand their customers' online food delivery purchase behaviours and use this data to create more effective promotions that can be used offline.
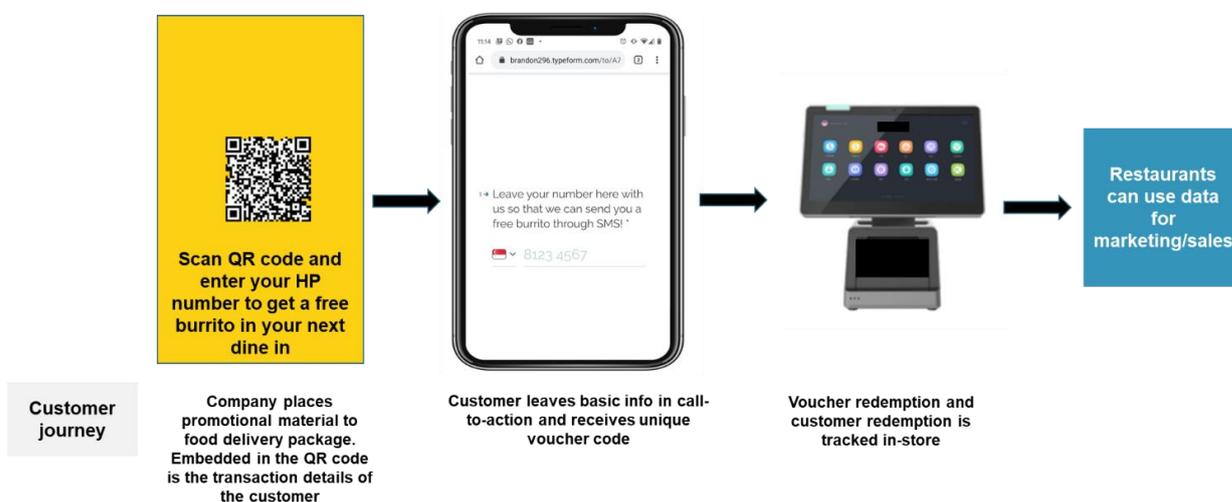
5. Company Y would like to offer food delivery using its own online storefront. On this online storefront, they collect basic information such as the customer's address to fulfill a delivery order. With this data, Company Y can now do geo-targeted advertisements on social media channels.

What data can be collected	How will the data be used for more effective sales/marketing in another online/offline channel
• Customer ID • Address	Use data like addresses to create geo-targeted advertisements

F&B businesses are encouraged to work with pre-approved vendors under the Productivity Solutions Grant[2] (PSG), should they wish to develop their online storefronts.

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[2] The PSG supports companies keen on adopting IT solutions and equipment to enhance business processes.