Abstract. Fundamental organizational change is typically seen as a one-way transition from The Old and Obsolete to The New and Modern. Once started, this endeavour, enthusiastically embraced by some and sceptically accepted by the rest, absorbs significant resources that, in the happy endings, are hardly returned within years. The works approaching Change Management or Business Transformation Management abound in recommendations, methods, techniques and good practice concerning the way the change should be fulfilled, while the references to the reverse path or to the recovery of some previous states once considered old fashioned but actually proven as effective, are scarce. This work aims to prove that no business transformation approach is fully effective unless it contains long run support for deep recovery and the possibility to return, at least partially, to some of the initial stages. It analyses some situations that might lead to the necessity of reversing a part of the transformation process as, for example, the balancing between higher profits and strategic necessities. The starting point consists of the observations of the worldwide trend in the retail market towards reinventing (up to some extent) the classical high street and the physical shop. By inductive rationing, the authors try to fill the gap mentioned in the first paragraph by a set of observations and recommendations concerning real and effective ways to step back and go forward, when necessary, during the transformation processes, in all their phases, by using approaches specific to other fields, like “what-if” scenarios, backtracking or spiral models. Deductive approach is used as well when, after formulating several hypotheses, the authors do check their validity by confronting them with the facts and realities collected from the Romanian retailers and discounters. The conclusions, supported by the data collected from both third sources (media, scientific works) and directly from the retailers drive to a particular set of features to be applied to all the four phases of the Business Transformation Management, in a multilevel approach. The validity of the findings and recommendations is proven by data collected from different actual sources and by logic deduction as well.

Keywords: Business Transformation Management, Omni-channel, Clicks-and-Bricks, Change Management

1 Introduction

Nowadays, organization change is a topic of great interest to a wide business, technical, managerial and scientific audience. The need to transform - change in fundamental way - has long been a central element of the economy and society (Joel 2010). Business transformation management is the holistic management of extensive, complex changes on which the organization’s future success strongly depends (FHNW, 2012). Most organization fail to transform. In our research we will present practical
option and solution to address the challenges identified in this research. The major shifts occurred in
the way the organizations see, think, manage or do business lead to the development of some theories
concerning both the superficial and the deep business changes. They proved to be either superficial or
deep themselves, succeeding or failing to explain the current business practices or to predict future
evolutions. Under these circumstances, a new discipline occurred: Change Management, with a branch
for the deep transformations including the structure and philosophy of the business- Business
Transformation Management (BTM). Coming out as a standalone subject of Organization
Management, it has grown fast since 1960’s, based on learning from grief management (Welbourne,
2014), and lots of theories, studies and tools for managing the change have been issued ever since, as,
for example, the famous Eight Steps Process for Leading Change (Kotter). An International Institute
was created and there are international certifications in Change Management (http://www.iocmi.org/)
Speaking about business transformation, we have witnessed the rise and fall of myths, as Dot.com or
management done exclusively by computers, and the recent times brought even more such examples.
We could even generalize by saying that all so called panacea proved to be nothing else then
theoretical constructions or fads and the exceptions always exceeded the cases where the practice was
confirming the theory. We can even say that many of the mathematical models drawn for common
business practices are only applicable in few particular cases, otherwise offering only an idea of how
the reality should work. But Business Transformation is a reality, a continuously growing one.

Online commerce is fast changing and becoming more complex, the success is not guaranteed, there is
also involves a risk, investing in e-commerce, from financial point of view. Throughout this research,
we will include other new ideas and methodologies using a combination of Backtracking method and
Kotter eight steps, that can benefit the adaptation of transforming the organization from traditional and
virtual business to multichannel (Omni channel).

2 Literature review

2.1. Change Strategies

According (James McCalman 2015) Change will not disappear nor dissipate. Technology, civilizatons
and creatice thought maintain their ever-accelerating drive onwards. It could be argued that a state of
continuous change has almost become routine.

Most change management models in use today are in the form of a process or set of steps. These
processes or activity lists were developd thought trial and error, and are based on experiences of
experts in the field of change management. In some cases these experts have created a standart process
based on their consultancy models. (Jeff Hiatt 2003)

These Organization theory has long recognized the topic of change as an important sub-discipline in
its own right. Concepts and approaches to change permeate virtually every aspect of organizational
behavior and organizational analysis. Organizational behavior has emphasized the roles of training,
intrepersonal skills, organizational development, communication and effective groups (to name only a
few) in achieving and sustaining organizational change. Organizational analysis has tended to
emphasize the key role of processes such us strategic decision-making, the exercise of power and the
importance of organizational structures in preventing or achieving change. (Wilson 1992)

According (Kotter 1996) a change management process undergoes a series of phrases and that it
usually takes a considerable amount of time. Kotter has developed an eight-steps framework for
realization a sucessful change within organisations. (John P. Kotter 2015) described the eight steps,
Increase urgency - raising a feeling of urgency so that people start telling each other “we must change something” about the problems and opportunities. Reducing the complacency, fear, and anger that prevent change from starting.

Building the Guiding team - Helping pull together the right group of people with the right characteristics and sufficient power to drive the change effort. Helping them to behave with trust and emotional commitment to one another.

Get the vision right - Facilitating the movement beyond traditional analytical and financial plans and budgets. Creating the right compelling vision to direct the effort. Help the guiding team to develop bold strategies for making bold visions a reality.

Communicate for buy - Sending clear, credible, and heartfelt messages about the direction of change. Establishing genuine get-level-in that shows up in how people act. Using words, deeds, and new technologies to unclog communication channels and overcome confusion and distrust.

Empower action - Removing barriers that block those who have genuinely embraced the vision and strategies. Taking away abundant obstacles in their organization and in their hearts so that they behave differently.

Create short-term wins - Generating sufficient wins fast enough to diffuse cynicism, pessimism, and scepticism. Building momentum. Making sure successes are visible, unambiguous, and speak to what people deeply care about.

Don’t let up - Helping people create wave after wave of change until the vision is a reality. Not allowing urgency to sag. Not ducking the more difficult parts of the transformation, especially the bigger emotional barriers. Eliminating needless work so you don’t exhaust yourself along the way.

Make change stick - Ensuring that people will continue to act in new ways, despite the pull of tradition, by rooting behaviour in reshaped organization culture. Using the employee orientation process, the promotion process, and the power of emotion to enhance new group norms and shared value. (Jeff Hiatt 2003) remarked two difference views of change, organizational change management from leaders perspective and individual change from the employee’s perspective. Organizational change management is the perspective of business leadership from the top looking down into the organization. The focus is around broad change management practices and skills that will help the organization understand, accept and support the needed business change. The emphasis is on communications, training the overall culture or value system of the organization. The other challenge is individual change management that is the management of change from another perspective of the employees. They are the ones who ultimately must implement the change. The focus for individual change management is around the tools and techniques to help employees through the transition. Managers and supervisors must provide the coaching required to help individuals understand their role and the decisions they make in the change process. (Jeff Hiatt 2003)

2.2 Business Transformation Management

By transformation people mean a complete change, usually into something with an improved appearance or usefulness. “Unlike change management” states (Ashkenas, 2015), “it [transformation] doesn’t focus on a few discrete, well-defined shifts, but rather on a portfolio of initiatives, which are interdependent or intersecting. More importantly, the overall goal of transformation is not just to execute a defined change — but to reinvent the organization and discover a new or revised business model based on a vision for the future.”

As defined in (Kokemuller, 2016), “Transformational management is an approach to company leadership in which management leads the organization through a transformation in direction, processes or other critical elements of operation.” Compared with the Change Management, it differs
by mainly two traits: the depth and the main target. While Change Management deals with parts of the organization, BTM approaches the entire company and, as shown in (Palinkas, 2013) “Change uses external influences to modify actions, but transformation modifies beliefs so actions become natural and thereby achieve the desired result.”

What is, in fact, Business Transformation Management triggered by? Business Transformation implies fundamental and complex organization changes within as well as across companies alongside the value chain. Business transformation can also radically alter the company’s relations with the wider economic and societal environment. (Joel 2010). The need to transform, according to (Joel 2010), is mainly induced by factors, such as increasing globalization (that leads to strong competition), radical changes of economic conditions, as for example, financial crisis, technological innovations (Information and communication technologies), pressure for sustainability, resulting in changed customer preferences or regulations or changing workforce, such as increasing global mobility.

Business transformation management is the holistic management of extensive, complex changes on which the organization’s future success strongly depends (FHNW, 2012).

Not all the transformations are successful. In (Capgemini Consulting, 2012) the authors show that “in order to undergo a successful transformation, an organization must fulfill four parameters; vision, ready, able and willing”. The same report shows that, of the executives questioned, 70% express dissatisfaction with the communication of objectives to employees, and 75% express dissatisfaction with training, commitment and people management. In the same time, 73% consider themselves to be unsuccessful in avoiding slippage in execution time and 70% say they are not in a position to properly assess the success of their program.

Trying to set up a methodology for BTM, SAP (SAP, 2016) issued by its specialized department (The Business Transformation Academy) Business Transformation Management Methodology (BTM2). Comprising four phases (ENVISION, ENGAGE, TRANSFORM, and OPTIMIZE), the methodology integrates discipline-specific technical and methodological expertise from transformation-relevant subject areas. We further discuss the conclusions drawn in our study by reporting them to the above model.

Among several sets of principles the BTM should follow, the one issued by Intelligent Transformation Solutions (Youd, n.d.) includes:

1. Efficient and effective application of people resources and skills;
2. Start right to stay right;
3. Flawless execution to a detailed project plan;
4. Start to finish, people matter (including any and all that will be impacted).

Our focus is on the transformation of the retail business model, as many companies returned to the old fashion, classical trade or brick-and-mortar trade, some products are traditionally sold in the market, and some buyers segment commonly shop old manner. Traditional brick-and-click online retailers on the e-commerce markets recently started with brick-and-mortar stores we have some examples (Alibaba, Amazon, Frank & Oak).

The point is that even if the transformation is found to be the only solution in a given situation, it should be deployed in a step-by-step manner, having in mind the response of the internal and external environment to any of the transformational steps. Two recommendations for the transformation philosophy could be The Spiral Model, as described by Barry Boehm in an article written in 1988 (Boehm, May 1988) or the backtracking approach (Knuth, 1968)
The Backtracking method is a general algorithm for finding all (or some) solution to some computation problems, notably constraint satisfaction problem, that incrementally builds candidates to the solutions, and abandons each partial candidate c “backtracks” as soon as it determines that c cannot possibly be completed to a valid solution. (Knuth 1968)

As shown in (Joel 2010), the described four working areas for success transforming:

• Comunication (Make sure that people are informed and have the opportunity to formulate their wishes).
• Motivation (Make sure that people accept the project and are willing to assist it in an active way);
• Empowerment (Make sure that people are allowed to work within the project);
• Qualification (Make sure that people have the qualification to work within the project and with the software).

2.4 Evolution from Brick to Clicks

A scenario we have already got used to sounds like this: a traditional retailer starts with one (or more) physical shops (Brick-and-Mortar) and, realizing that the Internet provides a new means with which to serve customers and to expand the business, he turns (totally or not) to the online trading, to Clicks-and-Mortar. Examples of companies making such a transition include Best Buy, Wal-Mart, Barnes & Noble, who expanded their footprint to the Web and then tried (and keep trying) to integrate its online and in-store sales. But, as shown in (Gustafson, 2014), for some retailers, the opposite approach is more enticing. Cited in the work already mentioned, Giovanni DeMeo, vice president of global marketing and analytics for Interactions Marketing, stated: “The focus is on e-commerce because that's a growing segment, but it doesn't mean that traditional physical bricks-and-mortar stores are going away anytime soon,“.

Bricks and Clicks store models are used for denominating all the businesses where the physical shops and their specific levers (as, for example, showrooms, door-to-door marketing, and so on) mutually support and are supported by the specific instruments of the pure online players (online orders, door-to-door delivery etc.). They combine the online capabilities of e-commerce with a nearby local store to deliver their products to the costumer, as well as using showrooms with no inventories where the clients just see the products and order them online.

The latest expression of this trend is the so-called Omni-channel or Multi-channel trade, which, in contradiction with some precepts of the Business Transformation Management, do not give up the old techniques and procedures but reinforce them by either including these instruments in the new online processes, for a better efficiency and versatility, or by updating them by including online-specific methods. This concept is used now by the most advanced companies, and some examples could be Alibaba, from China, Amazon or General Growth Properties, Bonobos, Birchbox, and Warby Parker. In a short form, four of the main techniques one should use in a Brick-and-Click business are, as shown in (Jao, 2014):

• Use Online Data for Offline Selling, and Vice Versa
• Allow Access to Online Account Information in Physical Store
• Use Smartphone Beacons in Physical Stores
• Integrate Online and Offline Inventory, Fulfilment

For the pure online businesses there are some challenges which can only be overcome by combinations of classical methods, such is using of alternative delivery to special delivery points or special procedures for the returned goods. A new concept occurred, “online to offline” (O2O) offering, meaning that the clients select the goods and pay for them online but collect them from, or have them delivered by, a shop (The Economist, 2015).
3 The methodology
The data sources used were both primary (as, for example, data collected from the Miniprix Company, analysed in this paper) and also secondary, using a wide range of sources, from Eurostat European Statistics Agency to articles in periodicals or results from various surveys. We used deduction mechanisms and also induction when concluding from a large variety of data samples or generalising trends of the retail field.

4 Facts, numbers and interpretations

As shown in an A.T.Kearney report, “On Solid Ground: Brick-and-Mortar is the Foundation of Omnichannel Retailing” (Brown, Moriarty, & Mendoza-Pena, 2013), in 2013 90% in all retail sales in the US are transacted in physical shops and 95% of them are captured by retailers with a brick-and-mortar presence. Only 5% in all the retail sales are performed in a pure-play online manner. Another report concerning the current magnitude and the future evolution of the weight of online purchasing in all the retail sales both in China and in the US (The Economist, 2015) shows that, while in 2012 the ratio of the online sales was 8.5% in US and only 5.5% in China, the estimation for 2016 is that the level of online sales/total sales will be about 10% in the US and up to 15% in China.

In Europe, due to the Eurostat database (EUROSTAT, 2016), the weight of the online commerce varied from around 14% in 2010 to 17% in 2015, both for the core 15 states and for the group of 27/28. In Romania, from 4% in 2010, the percentage grew to 8% in 2015.

Explanations come in (Brown, Moriarty, & Mendoza-Pena, 2013) as follows: “...shopping is a journey, whether online or in the real world...beginning with the product discovery and leading to trailing and test, purchase, delivery or pickup, and, in some cases, to returns.” and it is supported by a study conducted by A.T.Kearney: “Omnichannel Shopping Preferences Study”, by interviewing more than 2500 shoppers from the US. The main conclusion of the above mentioned survey is that, despite all that perceptions of ours concerning the overwhelming majority of the online shoppers in all the sales operations, people like buying in physical shops, preferring them in all the phases of the shopping journey we have just mentioned. As the authors state, the sample was relevant both by the number of the interviewees and by the sample’s structure. Moreover, the study was completed in a world region where the usage of the modern technologies is much higher than most of the other regions on the Earth and in a year when the e-commerce technologies can be considered to be mature. The volume and the evolution of the e-Commerce is, at a large scale, somehow similar in the other regions of the world, but from various reasons. In the weaker economies, digital divide comes as a main cause, while in China the online purchasing is the only way to overcome the disorganized logistics and, in some cases, a primitive distribution network. Thus, we can deduce that the preference for physical store shopping is probably even higher and steady in more “traditional” areas as, for example, Europe, and particularly the Central and Eastern part of it. One conclusion can be drawn from this: the value is mainly created in the physical shops, even it is captured online (Brown, Moriarty, & Mendoza-Pena, 2013).

Having in mind that the trends occurred in the economic areas already mentioned are normally extending in short time after their initial occurrence in these areas, firstly impacting the economically close or related regions and not very long after, the more and more remote areas, we can inductively consider as acceptable that if a certain trend is consistently manifesting in the core economic regions, it can be consider as a global trend, up to some extent.

1 The subject of the study was the group of companies in all the economy sectors except the financial one, with ten or more employees).
Detailing, in Sweden online shopping is estimated to have grown 15% from 2013 to 2014. Only 26% of e-commerce consumers state price as the reasons to go online while 50% of the respondents find convenience to be the most important reasons (Conny T. 2015). (Retail 2015) takes a look how and where consumers in the United States are going to be spending money over the next 6 or 7 years; the research reveals that disposable income spent by consumer in the U.S for brick-and-mortar retail will be $5 trillion by 2020. E-commerce accounted for only 8.3% of total retail sells in 2014, with other words the retail sells is still done within traditional brick-and-mortar store (Commerce 2015).

As shown in (Retail 2015) by a 2015 survey on 1.029 consumers regarding their perception and habits around retail shopping, more than 87% of respondents plan to shop in brick-and-mortar stores at least as often as they did in 2014. Many consumers prefer to shop In-store, 65% of survey respondents reporting that if an item they want is both online and in a nearby store, they prefer to shop in the store. This shows that the strategic option concerning total transformation from bricks to clicks was only a result of a fad and, after being validated by the reality, it was proven it was not the panacea. It only shows that the balance between profits and strategic positioning needs to be kept by more sophisticated means than simply going on- or offline. And, having in mind the previous paragraphs, we can say that this is the case in most of the economic regions around the world.

According (Conny T. 2015) Omni-channel retailing means being available at any time anywhere, making it convenient for the customer. Multichannel retailing which combines mobile, bricks-and-mortars and e-tailing, requires e-tilers to rethink the strategies and to redefine the business model a single channel is no longer enough for. This is why traditional retailers are looking at various options to establish a physical presence. The challenge is to find a seamless solution for both the customer experience and the internal processes (Conny T. 2015).

The decision to transform the enterprise from Brick-and-mortar and Brick-and-Click to Omni-channel, impacts both the non-technical and technical aspects of an organization. This means that the strategy of a company aiming for such a transformation needs to consider a plurality of scenarios described by both technical steps and by possible human reactions of the customers to one change or another (a huge part of the customers surveyed by TimeTrade reported they like to shop in the store because they like to Touch and Feel products before they decide to buy). While the technical actions to be taken for the click to multi-channel transformation are predictable, the response of the market to these measures are hard to be anticipated, especially when acting in a global market.

This is why the strategic approach of the business transformation discussed hereby needs to take into account not only different alternatives for a step forward, but even steps backward, when these current alternatives do not show to lead to success. One such a strategic approach could be based on a philosophy taken from the science of computer programming, well known as Backtracking. Defined by Knuth in (Knuth, 1968), it consists in finding a path (a sequence of steps or actions) which leads to the final solution of a problem by searching the next step from the set of possible ones until either the solution is reached or a dead end is met. In this second case the last step is cancelled and another one is chosen from the set. If there is no one left in the set, the last step is quitted and there is a step back, trying to find another way to continue. In our case the solution is attaining a desired state of the business and the best combination of distribution channels and facilities for both higher profits and strategic opportunities. Another perspective of backtracking applied in the transformation of a business focusses on the sequence vision-mision-values-strategy-policies-tactics-operations-estimated results. A path that, starting from a specific mission, leads to such estimated results that are satisfactory in a specific context, can be reached, in a systematic way, by using a what-if mechanism, in a backtracking approach, driven by a set of indicators and their target intervals which can say when the desired state is achieved or when the step back is necessary.
An important issue in this transformational strategies is occurring of new technologies and one of this is mobile shopping. In our case, it seems that the trend presented in this paper preserves itself even under these circumstances. Mobile shopping is growing slow; more than 42% of the clients have never bought something s from their mobile devices, and when customer want to buy only 13% are making order from their devices. Aproximatly 50% of the customers use their mobile devices only to browse for items, more than 60% comparing the prices, and 46% to look for the nearest brick-and-mortar store location. Traditional e-commerce retailers open brick-and-mortar stores and customers are welcoming with open arms: Most of consumers approximatly 70% of them would prefer to shop at an Amazon store versus Amazon.com.

Today customers do much research online prior to going into the brick-and-mortar and aproach the in-store experience as the final buyng decision, more than 90% of them are more likely to buy when helped by a knoledgeable associate.

According to the (Brown, Moriarty and Mendoza-Pena 2013) Omnichannel shopping preferences Study – the latest addition to A.T Kearney's ongoing study of the evolution of omnichannel commerce- physical store are clearly customer's preferred shopping channel and place where the most significant consumer and retail value continues, and will continue, to be created. How can we observe from their report It’s not physical or digital stores, its combination of digital with physical store.

This leads to a strategic dilemma: where should the investment be directed, towards the online channel or to the physical one?

This comes from the fact that Omnichannel (or Multichannel) as defined in an early paragraph of this paper is nothing more than a combination of different techniques used to achieve or enforce different steps in the sales process, each of them being a source of value and individualizing from a point of view the purchasing process. And these techniques can be either in-store or online. From our point of view, one investment policy applicable in the situations described should take into account both the present and the future for both the “in-shop” and “online” methods and techniques.

In pure research terms, the problem could be put as a research questions and three hypotheses, as follows:
-Research question: Is there an optimal ratio between online and offline and a proper balance between higher profits and strategic necessities?
-Hypotheses:
-There is a relation between the turnover/profit/ sales/market shares of brick and mortar and click and mortar?
-If there is a relation, do the costs relate in the same way?
-Are the investments and returns balanced for the e-commerce?
From our point of view, there is no universal solution for the stated question, but only locally and temporarily valid answers.

In supporting this approach we bring a research article conducted by Fernando Bernstein and Jing-Sheng Song from The Fuqua School of Business, Duke University together with Xiaona Zheng, Guanghua School of Management, Peking University from Beijing, China: “Bricks-and-Mortar” vs. “Clicks-and-Mortar”: an Equilibrium Analysis’ (Bernstein 2008). The authors try to find a model for answering the question above, but what they get is one which is only valid in a very restrictive set of conditions.
So, what is to be done in order to define a correct strategy and a viable set of plans? In our opinion, it all comes from transformation planning.

Business Transformation needs to address, as stated in (Capgemini Consulting, 2012), four parameters: vision (the extend to which the vision is clearly described), ready (the level the transformation steps are identified and properly planned), able (the capacity and capabilities of the employees to cope with the transformation process implementation and with the next stages) and willing (at what level the rationale for, and benefits of the change are established and understood by employees). As the authors of the research show, it is proven that there is a strong correlation between the transformation excellence and two of the above mentioned parameters, vision and able. Vision involves attaining an inspiring and compelling vision and also the consequences understood by employees while able involves the cultural change, in two ways: behavioural change and adjustment of the organizational structure.

What is to be known is that any change in organization structure, due to aligning this structure to the direction of the transformation, influences the organization culture directly or through the culture drivers. In the same time, converse is also true. Vision parameter influences the able, ready and willing so as soon as a new level has been achieved for one parameter, the others are changed as well. Our approach is based on the idea that, in order to achieve a convenient level for all the four parameters, a level which would assure the success of a transformation, several iterations are needed. Each of them would consist in working upon each of the parameters and assessing the final state of their level achieved both by our direct actions and by the influence one parameter has on the others. In the same time, the environment response to the actions undertaken has also to be evaluated, before passing to the next iteration.

The same way we recommend to be followed in the transformation process itself. The model which we think fits the best with our approach is one introduced by Barry Boehm (Boehm, May 1988) designed for software development. The initial version of the model, a risk-driven one, based on progress through successive iterations, stated four steps which should be fulfilled for every iteration: setting up the objectives for the current stage to be developed (performance indicators, characteristics, alternatives and constrains), assessment of the alternatives by the objectives and constrains (and identification of the risks for every option), prototyping (with respect to the risks identified and cost-effective major risks resolving), validation of the current prototype (including simulations, models and other alike) and requirements definition for the next stage, issuing the preparation plans for the next cycle. Of course, the model cannot be strictly applied in the process of business transformation, being particularly created for software development, but the main steps and the idea of evolving in an iterative manner by considering the risks and diminishing them at every cycle, while permanently adapting to the actual conditions is the approach we recommend.

5 Case study: Miniprix, Romania

As support for what we showed above, we will see an example of a Romanian discounter, considered by us to be typical for retail business in Romania, because many of it’s features can be largely met in many B2C companies in the country.

According to (Andrei, 2016), Romanian E-commerce market exceeded in 2014 1 billion euros. Romanian population numbers 19.7 million inhabitants, from which approximately 10 million are, more or less, internet users, the internet penetration rate in Romania for 2014 being around 50%. As shown in GPEC report, in Romania are approximately 5 000 online shops reported in 2013. The three main categories of goods and services traded online are IT&C, Fashion and Home&Deco. Romanian customers spend over 140 million euros online in the Fashion category. As shown in (ARMO, 2016)
in 2015 the online retail industry increased by 24.2% to 1.41 billion euros. Total value of ecommerce sector in Romania in 2016 is forecast to reach 2 billion euros.

A local Romanian example of a retailer which found itself in the situations described by this paper is Miniprix, a Romanian clothing and footwear discounter. According to an Ernst & Young report containing a scoring methodology on major companies, Miniprix is ranked 8th in the top Romanian retail companies in 2012. In 2013 Miniprix was nominalized for New Generation category at the Wall Street Gala and won the grand prize. It has gained popularity on the Romanian market due to its hard-discount concept and its variety of foreign and local brands for women, men and children clothes, footwear and accessories from many Romanian and foreign suppliers.

Miniprix has four physical stories in Bucharest opened in 2001, launched its online shop www.miniprix.ro in 2009 and become a wide known brand whose Brick & Click model grown tremendously in the last three years since it has been present in the online environment. Even it only has shops in Bucharest (from different reasons it closed the stores it had in several other towns, as Constanta, on the Black Sea Coast, and bet on e-Commerce) the firm has a nationwide distribution, by the online channel. By the same channel, they started selling in Moldavia (the ex-soviet republic) and in Bulgaria and made some tests on Hungarian online market, planning to start to sell to Hungary as well. In 2009 they turned to online and, because of the reasons above mentioned they expected a fast increase of the online weight in the total turnover.

Figure no.1 Turnover Miniprix, Romania (currency lei)

According to data in Wall-Street Romania (wall-street.ro 2016) MiniPRIX is among the top ten online stores in Romania making a comparison between the turnover they have 320 empoyes with 17.2 milions in 2013 as shown in euros figure 1. The first place is taken by Altex – online and offline store for electronics, with 258.4 millions of euros in 2013. Second and third place are reserved for eMAG and Flanco with 188, respective 140 milions euros. In department of fashion, the online magazine with best turnover is Fashion Days with 48.6 millions euros, followed by miniPRIX. Another market where MiniPRIX is in the top 3 online retailers is Bulgaria. According (europe, 2015) online sales in Bulgaria increased up on 120 million euros over in 2013. Since 2000, a rapid increase in the number of internet users has occurred in Bulgaria – from 430 000 they grow to 1 545 100 and 3,4 million (48% penetration rate) in 2010. According to sources, online sales grew by 10 percent to 119 million Bulgarian levs, almost 11 percent of all purchases in 2013. Total value of the online market abroad in 2014 was 2.6 billion euro according NSI. Bulgarian online store on the first place is eMag.bg; it offers many different products, from consumer electronic, fashion and toys. Concerning clothing online sales, first is FashionDays, followed by miniPRIX on the second place, Koketna and MyMall.
They adapted the organization chart and the business model and invested in online facilities and services as can be observed in Figure 2. As we can see in the graph above, investments in the last three years in physical store and e-commerce are almost the same. In 2016, 48% of the investment budget was distributed in online stores and 52% in budget investment in physical stores. The results from their strategy or what they got is shown in Figure 3.

As we can see in Figure 2, online turnover drastically reduces compared to physical store (Brick and Mortar). In 2016, almost 70% of company turnover is coming from physical stores. It is a common practice to consider the change a “one way” move. In our opinion, since the very moment the change becomes an option, it should be considered at least an “emergency exit” and a costless way to return, at least partially, to the initial conditions.

6 Conclusions

The evolution from Brick to Clicks and the climax of Clicks is now turned to Multichannel. Bricks give you solidity and profits, Clicks give you strategic position. Networking could be an important part of solution, but there is no “one size fits all” in business transformation. This paper discussed the case of an organisational transformation using backtracking method for creating a major transformation at miniPRIX, a company in the Romanian retail sector. This combination of methods was found to be effective way of coordinating the business transformation management. Our research
has contributed to a much needed link between business transformation management theory and practices. This paper has provided an example of practices so that stakeholders have an opportunity to learn from others’ experience in transformation their business.

In order to synthetize and emphasize some of our advices for setting a successful transformation from bricks/clicks to Omnichannel, we use the Capgemini approach as follows:

**Envision:** the importance of ‘what if’—necessity of simulations and scenarios before setting up the target and trying to see the things “differently” from the main stream: exploring other horizons as well.

**Engage:** keep the way back clear—the change management approach must keep the main aspects reversible (as, for example, not killing the brick-and-mortar facilities but preserving them or even enlarging, in the same time with gradual turning to clicks; backups at main crossroads.

**Transform:** step by step=”little steps” policy; spiral-like evolution; step-consolidation-re-validate the envision.

**Optimize:** quantitative accumulations lead to qualitative change=each transformation step brings insight and thereupon from time to time the paradigm shifts.

**References**


