

Accelerate your Commerce

Building next-gen retail tech



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Introduction

Digital roadmaps that aren't tethered to the current digital reality we live in are no longer fit for purpose. Modern consumers demand the flexibility to browse, buy, and return through their preferred channels. This shifts the perception of digital from a mere convenience to an integral component of the customer experience.

As consumer expectations soar, the pressure mounts on retailers to not only meet but exceed customer demands, with nothing less than exceptional customer experience passing as a market differentiator.

IT leaders must adopt a decisive approach, seeking practical, implementable, and deliverable solutions capable of meeting customer expectations and adapting to market shifts that inevitably occur every 6-12 months.

Navigating the modern commerce landscape requires a comprehensive and strategic approach that spans both physical and digital domains. This necessitates a flexible, scalable, and efficient tech stack, along with the expertise to integrate it seamlessly.

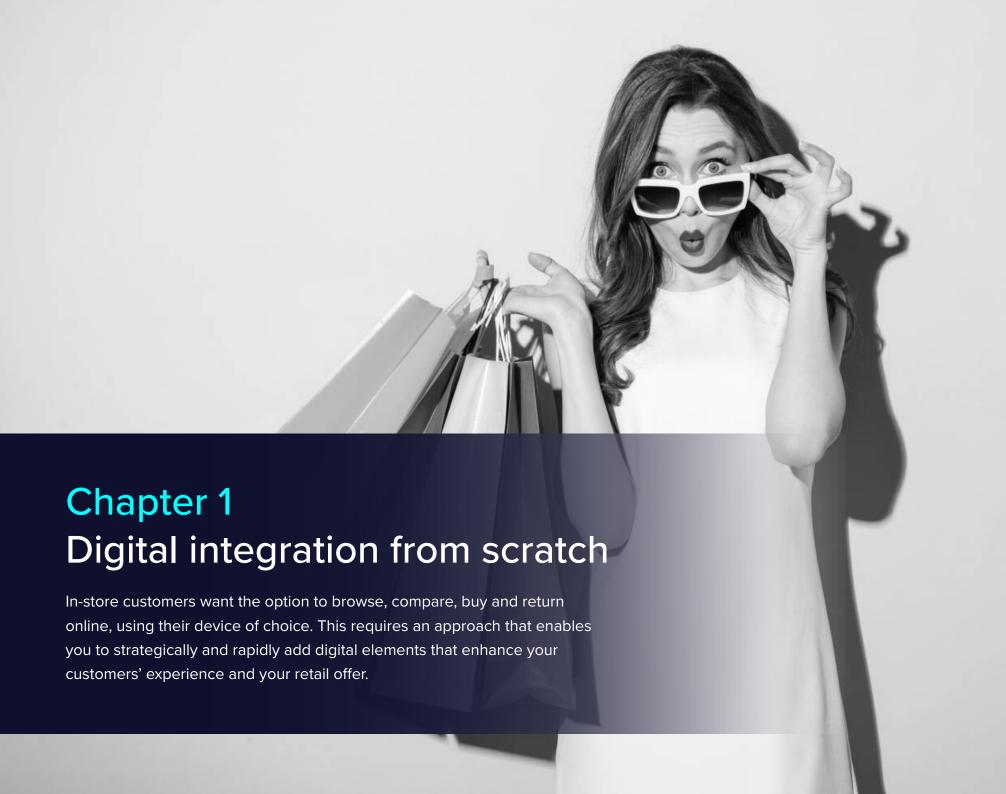
There is no one-size-fits-all solution for retailers in this regard. Solutions and approaches must be tailored to each organisation's unique needs. Similar to the adage "it takes a village to raise a child," achieving success in this arena often requires external guidance and a pragmatic outlook.

In this guide, we delve into three distinct perspectives, providing invaluable insights for navigating the complex landscape of modern commerce. We offer recommended approaches for accelerating strategic outcomes, tailored to specific starting points in the market.

Throughout each chapter, there is inspiration from real-world success stories, such as Banner's enhancement of web sales through click & collect, and a global footwear retailer achieving multi-territory trading.

These stories offer practical insights, and outcomes that showcase the art of-the-possible and the learnings along the way.





Challenges and Opportunities



Accelerated operations

Retailers have a golden opportunity to accelerate the business by improving processes with technologies that are underpinned by composable architecture in the cloud. With the right network, data and application architecture you can react faster as a business and rapidly deploy changes across sites.

The employee experience

Digital integration is about both customer and employee experiences. The challenge is creating consistency across channels that aids store workers as well as shoppers. By giving employees fast, fingertip access to at least the same information that is available to the customer online, they can quickly find out about the customer's purchase history, loyalty level, or personalised offers.

Customer single view

Developing a single view of the customer across physical and digital interactions enhances customer experience and loyalty. It will also help to unify and streamline business processes. Done right, it will transform and underpin everything from buy anywhere return anywhere to delivering outstanding in-store customer service.



The best approach to accelerating your commerce

The power of integration

Integration with composable commerce architecture unifies legacy systems, common among traditional retailers. This integration enhances both front-end customer experiences and back-end business efficiency.

It also expands website functionality and opens collaboration avenues across payment, distribution networks and marketplaces, enabling swift progress without the need for complete ownership or reinvention of every aspect.

Logistics and delivery

Predicting, storing and delivering stock across both physical and digital operations is an important part of digital integration. Meeting high customer expectations for delivery speeds and challenges with the last mile mean that efficient logistics are essential. Digital delivery mechanisms and order management have evolved hugely to modernise pick, pack and dispatch operations.



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How bricks and mortar retailers can build next-gen retail tech



Improve your legacy systems

Enhance legacy systems with digital integration to overcome speed and efficiency challenges. Integration ensures seamless communication between disparate systems like commerce, ERP, and PoS platforms, enabling faster and more efficient business operations.

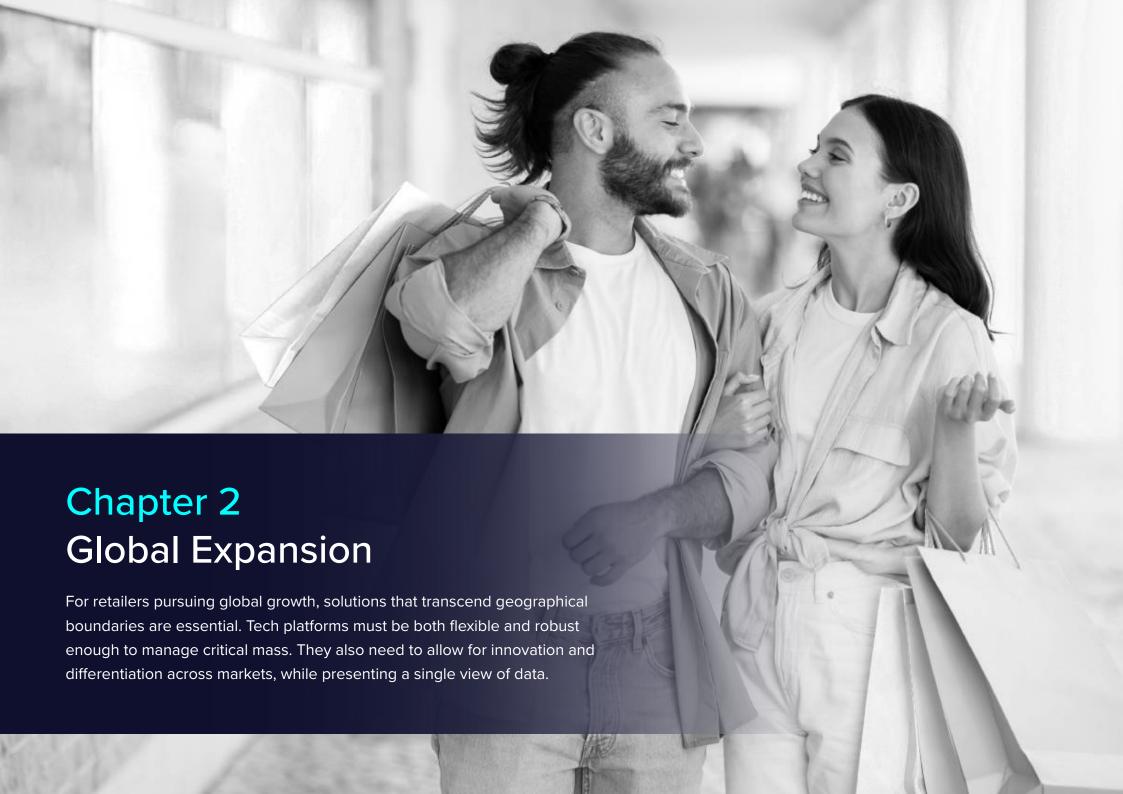
Modernise the technical landscape

Digital integration provides a fresh opportunity to rethink the upfront design of your processes and improve the customer journey or stock visibility. Stock visibility or click & collect are often places where digital integration early adopters start. Click & collect can not only accelerate your commerce, it can also drive footfall back into the store.

Composable 'Lego brick' commerce

The scalable applications of composable architecture are channel agnostic and provide a single view of the product, customer or trading environment. It also enables the opportunity to select and deploy 'best-of-breed' technology solutions, unifying disparate platforms to enhance visibility and consistency across your different systems.





Challenges and Opportunities



The right tech stack

One of the biggest challenges retailers expanding globally face is how to prepare the business and the technology stack to work flexibly in an environment that spans multiple countries. Systems will likely include legacy and modern systems from numerous global and regional providers, plus large amounts of services, support, and dev work.

Maintaining control globally

There's a misconception that global retailers can't have a single view of data and will end up having siloed data and systems dotted across their different territories. However, today's solutions offer a cost-effective way to simplify and integrate, with all your data feeding into one set of tools at the back end.

Navigating rules and compliance

Global fiscal disparities pose legal, financial, and technological challenges, often requiring hardware adjustments, encryption, and system tweaks. Expanding into new jurisdictions brings challenges like time zone disparities, data sovereignty, compliance, and hidden fees, especially across American states.



The best approach to accelerating your commerce

Global and local alignment

A 'top-down' expansion plan will give regional organisations and local teams some autonomy to make day-to-day decisions whilst avoiding siloed solutions. With unified and composable commerce, the business, and local teams, can select the right combination of options for a new region from a 'menu' of SaaS apps, processes and services.

Flexible and configurable IT

Modular architecture provides a cost-effective IT solution adaptable to various regional requirements and systems, including country-specific payment platforms. This reduces software development costs and timeframes through rapid configuration. Moreover, it simplifies infrastructure and enhances coherence by integrating previously siloed systems.



Expandable and secure cloud

It is now safer than ever to entrust your data to the cloud and SaaS as security is embedded into the public cloud retail IT infrastructure. Historically, this was not the case, and the quality of security was down to individual retailers. However it is still important to do good due diligence, carefully checking your cloud providers' security features and credentials.



How globally expanding retailers can build next-gen retail tech



Build, buy or outsource

One fundamental decision is whether to build or buy your own retail architecture, perhaps for reasons of competition or control, or whether to use global public clouds. Many organisations are going the cloud and SaaS route, as solutions become more commoditised and secure, even catering for stringent compliance requirements.

Adaptable composable modular systems

It's important to build or buy tools that give you control over your global IT estate. Unified commerce and composable toolsets offer this. They don't have to cost the earth or require a complete legacy rip and replace. Also worth considering, it's possible to operate today in a SaaS-based composable world where organisations may not own any of the IT. Yet, they can still have control of their operations, processes and data.

The importance of integration in global expansion

Integration is the solution to linking legacy and modern systems from the back end to the front and vice versa. This is particularly pertinent when operating in territories that have required or favoured platforms. For example, digital payment systems can be very cultural or regional specific, with the Chinese preferring one platform and the Emirates another. Integration is the glue that can unify your global systems across the world.



Retail success story

A one-stop solution for multi-territory trading

A global US-based fashion brand has achieved successful and compliant trading across Europe, thanks to a smart solution and wrap-around service that meets European fiscal compliance requirements.

Previously, the brand traded across Europe but was not fiscally compliant, exposing them to the risk of hefty government fines and the need to undergo excessive compliance protocols.

Requirements

 $\underline{\mathsf{O1}}$ Implementation of a fiscally compliant solution

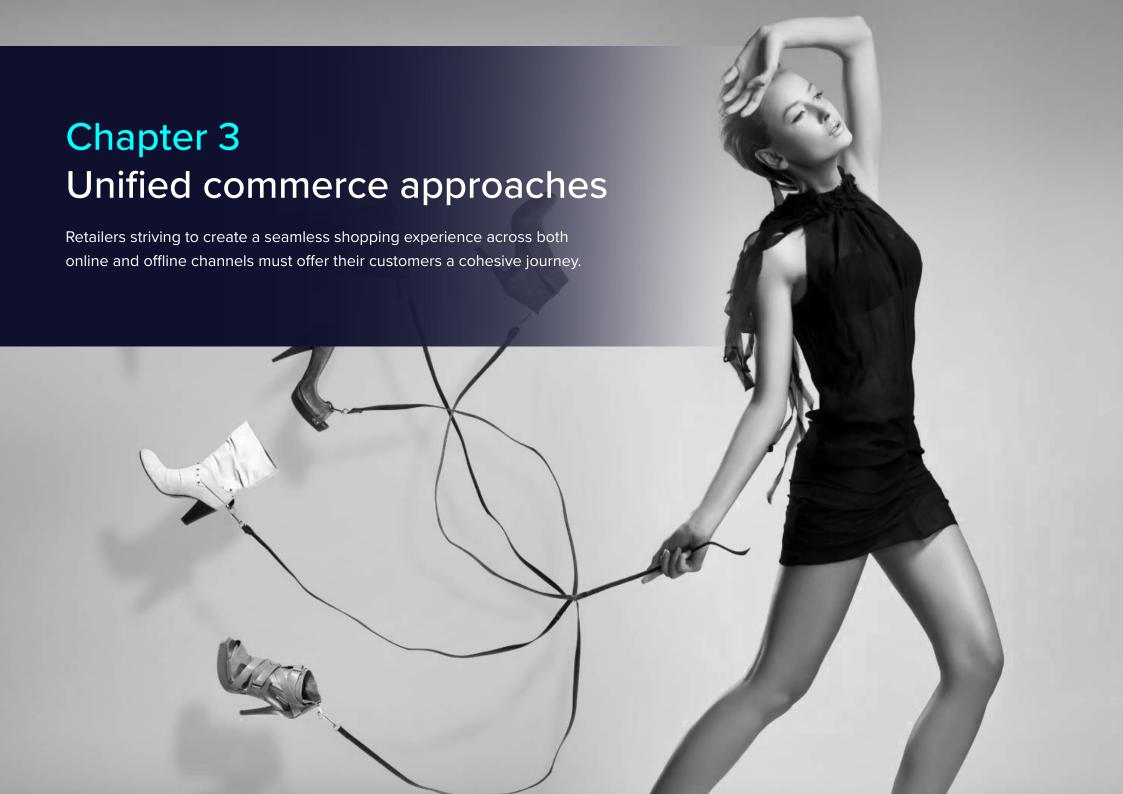
O2 Agility to respond to future government changes or mandates



Process

- O1 The brand opted to onboard PMC's Graphene platform to provide a fiscally compliant solution around their legacy Point of Sale (PoS) system, enabling successful multi-territory trading.
- Wrap-around managed services were employed to ensure that all tills were integrated into the solution and could be remotely monitored and managed.
- The outsourced solution enables simplicity for the retailer and a solid foundation to scale their growth across Europe.





Challenges and Opportunities

Defining unified commerce

The primary challenge of unified commerce - also known as multi-channel or omnichannel - is defining it for the business. It's important to create a unified view across the business to ensure aligned thinking and expectations. Many retailers falter here, opting for a fragmented approach that wastes resources and can result in customer dissatisfaction.

Legacy and organic growth

Legacy systems come with support issues, obscure application design, a need for multiple system upgrades to get security or resilience up to scratch, high operational overheads, tools that are not fit for purpose, and outdated functionality. These are compelling reasons for change.

Cross business involvement

Multi-channel retailers need to create alignment across wider business functions such as retail ops, marketing, finance, audit, and supply chain. Having these key stakeholders gets everyone on the same page, and makes it harder to separate or silo digital commerce away from physical operations.



The best approach to accelerating your commerce

Start where you are

Starting from scratch is very rarely the best approach for unified commerce. Better to take what's already in place and build on it. By looking at what's working well and what's not, as well as the products already in the ecosystem, it's possible to accelerate successful outcomes.

Single version of the truth

Unified commerce hinges on having a single version of truth to align stores and websites, offering customers cohesive services. Despite varying ownership of data, systems, and information, the architecture should ensure a unified view of essential elements like products, prices, and customer activity. While achieving a comprehensive single view is difficult, the goal is to establish multiple single views of relevant datasets for specific purposes.



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How multi-channel retailers can build next-gen retail tech



Composable and best of breed

By its nature, unified commerce lends itself to best-of-breed solutions and composable systems that are agile and dynamic. In place of a single-vendor stack, or underperforming platform, modular is extensible and cost effective, particularly if SaaS-based. Plus, retail solutions like PoS and payments are becoming more commoditised and easier to integrate. It's possible to quickly pivot to engage with customers across channels, whether that's through a scan and go kiosk, a mobile app, or a pop-up shop, and, better still, it's no longer necessary to own the tech stack.

Future-focused integration

Code integration will further streamline the retail IT estate. This entails connecting systems that should be linked, and uncoupling ones that shouldn't; or where core functionality should be elsewhere. For one PMC customer, we supported the existing systems, while implementing a brand-new integration layer in the cloud. This enabled them to rapidly deploy a new ERP system and continue website business as usual, then swap over seamlessly to the new back-end system without skipping a beat.

Automation

It's important to bring in automation wherever possible, to accelerate or streamline processes and customer experiences. Aim to use automated processes anywhere that requires a human to touch. That includes physical hardware like printers and scanners, and payments processes that could move to mobile and customer self-service. It's another opportunity to speed up the business and lose what slows you down.



Retail success story

Banner boosts web sales and customer experience

Banner, the UK's largest school uniform retailer in the UK wanted to improve their customer experience through offering a click & collect solution.

Banner operates wholesale and retail divisions including 40 stores, where trade is heavily skewed to the academic year, with the business making up to 80% of its sales between June and September.

Objectives

O1 Launch a new click & collect service to help ease peak trading bottle necks

<u>02</u> Improve order visibility for customers placing online orders



Process

- O1 PMC designed an integration layer to sit between the website and ERP system to enable accurate data matching and synchronised operations on the backend.
- <u>O2</u> Build, test and delivery of a new click & collect solution within six weeks.
- O3 Integrated click & collect to online ordering enhanced visibility of orders and provided the ability to communicate the full details of orders to customers.







At PMC, we blend experience, independence, and a progressive mindset to propel business outcomes through technology. Our talent-driven technology model is ideally suited to the dynamic world of commerce, ensuring continuous and agile delivery.

With over two decades of expertise, a profound understanding of retail technology, and intimate knowledge of the vendor landscape, our team of over 500 professionals in the UK and India offers impartial advice and tailored solutions to over 150 retailers worldwide.