

Aptean Retail ERP
Elucid Edition

Choosing the Right Multi-channel Retail Solution to Maximize Business Growth





Innovate and Accelerate: How to Discover Your Business Growth Potential

Multi-channel retail software is essential for any business looking to meet customer demands, and offer a seamless and enjoyable shopping experience.

Yet retailers are discovering that their existing systems don't have the required flexibility, functionality or scalability to support their ambitions. The most successful multi-channel retailers are the ones that constantly innovate and embrace new technologies.

The question remains: how can a retailer make sure that its investment in multi-channel retail software is a match for its business and strategy?

The Retail Landscape Has Changed

Whether you have a physical store, exist solely on the internet or have some combination of the two, the fact remains: the retail landscape is constantly changing. Mostly because today's customers shop differently and demand more.

What Do Customers Want?

Just like seasons and trends, customers change too. Their needs and wants are constantly evolving—especially when it comes to retail. They want more information on product availability and promotional relevancy. They expect greater ease of checkout, delivery options, convenience and, above all, they want a seamless experience across all channels they choose to utilize. Customers expect to be able to pick up their shopping journey at any time, across any device, without interruption.

Technology needs to be used to understand customers and enrich the shopping experience. To satisfy the modern customer, you must be able to offer a clear branding message, real-time stock information across all touch points, a portfolio that is relevant to the customer, relevant and targeted promotions, competitive pricing plans, flexible delivery options, easy to follow returns procedures and a simple way for the customer to contact you. That's a long list!

Retailers Must Meet Customers' Changing Demands to Survive

Meeting the demands placed by customers has never been more crucial for retailers. Consumers who shop online and in-store spend up to four times more than customers who only shop through one channel. Failure to meet or to understand customer requirements can result in a loss of sales opportunities, a lack of customer retention, a decline in brand loyalty, high-stock levels and underlying costs, a reduced level of profitability and a damaged brand image.

Is Your Current Multi-Channel Retail Software Up to the Job?

Multi-channel retail software is now essential to the smooth functioning of many retailers. As the multi-channel retail environment evolves, more and more businesses selling across multiple channels discover that their existing systems do not have the required flexibility or simply cannot handle the diverse requirements of different sales methods.

Understand Your Capabilities

Today's solutions need to be future-proof to cater to a constantly changing and diverse retail environment. As retailers face the challenge of comprehending the growing mountain of data that provides the wealth of information to understand their customers better, the expectation is that multi-channel retail solutions will have the power to unlock this market intelligence.

To establish whether your current multi-channel retail software can meet these requirements, you should consider whether it can:

- ▶ Provide a seamless, joined-up customer shopping experience across all devices and channels.
- ▶ Provide exemplary customer service from initial purchase through to delivery and management of returns.
- ▶ Boost sales with promotional and up-selling capability across all sales channels.
- ▶ Offer flexible delivery options convenient to the customer, such as click and collect.
- ▶ Utilize technology and systems to achieve transparency and efficiency throughout the supply chain.
- ▶ Increase the visibility of customer and stock information throughout the business.
- ▶ Improve your ability to retain customers and enhance brand loyalty.
- ▶ Introduce new brands and product ranges – supported by the same sales and distribution operation as your business.

If your multi-channel retail software can't do these things, then it is time to change.

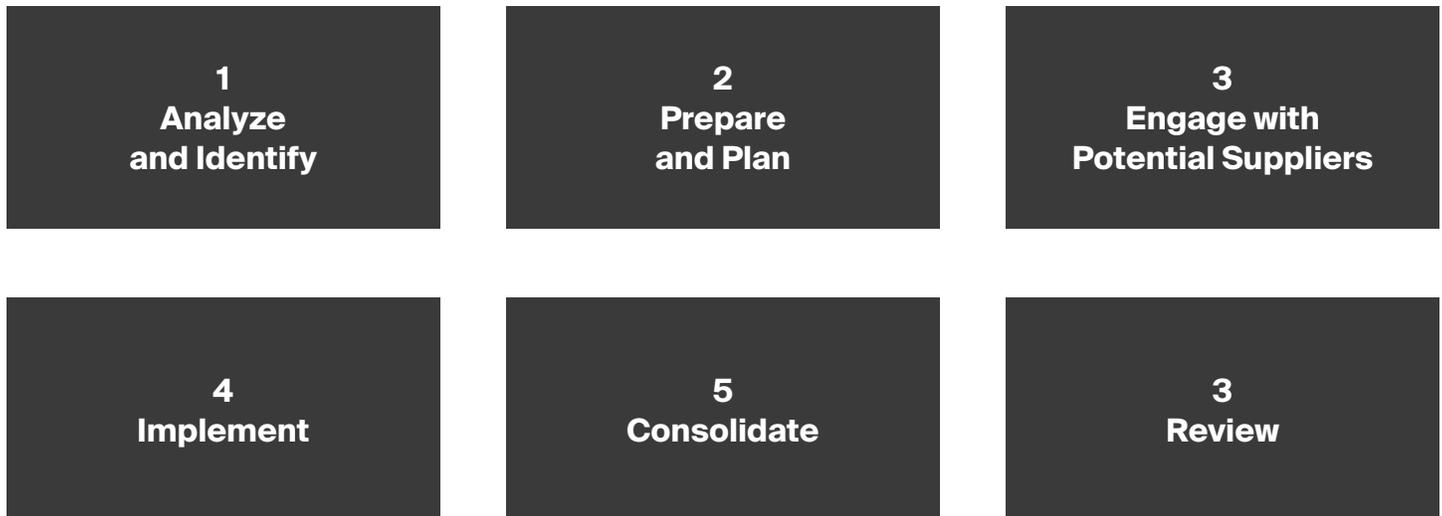
Understand Your Choices

Faced with new challenges, retailers have several choices:

- ▶ Pay for an extensive (and expensive) redevelopment of an existing system.
- ▶ Source new, fit-for-purpose software that provides all the functions and support required to grow their business.
- ▶ Identify the gaps and source appropriate software to fill that gap and integrate with existing systems.

Each one of these routes will most likely require significant investment. Preparation is essential to ensure sufficient planning, adequate budgets and optimal internal resources to manage the project. Without such preparation, the likely result will be that the retailer fails to implement a system with the flexibility, scalability, or functionality to take its business to the next level.

To minimize risk in your evaluation, adopt the following six-stage process when planning for a new system:



Common Mistakes When Choosing Multi-Channel Retail Software

Learning from the mistakes made by other retailers is crucial for multi-channel retail businesses when deploying multi-channel retail software. If not for any other reason, it certainly helps you avoid the same pitfalls.

Here are five common reasons why things can go awry:

- **Lack of Budget** – Deploying multi-channel retail software that delivers ROI can sometimes require a high initial expenditure. Many retailers fail to allocate enough cash for purchase and implementation.
As they find themselves outgrowing their systems, they must repeat this capital spend to keep up to date and often fail to achieve ROI. By investing in consultancy upfront to carry out business process analysis to map requirements across the organization, you will define the true cost of investment.
- **Lack of Supplier Research** – Research is essential to make sure your multi-channel retail software is suited to your business. Working with the right partner on the right platform is at the center of a successful deployment. Take the time to check financial history, expertise in your sector, customer references and case studies if they are available.
Carrying out a risk assessment will help you to choose the right software partner for your needs. If a retailer takes the time to conduct detailed due diligence, they are more likely to find a partner who meets their needs and requirements within their budget and can take them from where they are now to the next stage of their growth.
- **Failure to Fully Appreciate Business Strategy** – Investment in technology always needs to be focused on the overall business objectives - and the actual value it will deliver. How will it impact sales, customer service levels and overall profitability? How do the fundamental operations of the business need to change to improve sales and customer service? If your business can't define the processes and goals of each channel, there is little point in moving onto software selection.

- › **Failure to Identify Required Software Functionality** – Your ideal multi-channel retail software will depend on your company’s plans for integrating multiple retail channels and the processes in place. Your business will need to carefully consider the flexibility of any potential multi-channel retail software, how it matches up to your operations and your overall business goals. Before buying any software solution, you need to be clear about what you expect from it and find a supplier with the expertise to guide you through this process..
- › **Failure to Put the Customer First** – Traditionally, retail has been based around shifting units rather than concentrating on the customer experience. With the world at their fingertips, online customers are one click away from your competitors: meaning that businesses who want to grow will need to carefully consider how their multi-channel retail software supports and improves the customer experience across all channels. As the Retail Systems Research (RSR) report ‘Omni-channel 2015: Taking Time, Money, Commitment and Technology’ states, “Winners maintain a relentless focus on the customer”.

How to Choose the Correct Multi-Channel Software Platform

Knowing the most common reasons for project failure is when choosing or installing multi-channel retail software is the first step in avoiding them. So how can you make the right choice when it comes to your multi-channel retail platform?

1. Understand Your Multi-Channel Business Objectives

Take the time to clearly define your objectives for each retail channel you intend to operate in. As well as the process changes required to reach these goals. Analyze and document each process before investigating the multi-channel retail software available. By understanding your requirements, you can find a system to accommodate them and avoid costly surprises during implementation or even total project failure.

2. Identify the Key Operational Areas You Need to Cater For

Identifying the key operational areas that you need to focus on, in addition to your key business objectives, can ensure that your multi-channel retail software choice is the right one for your entire business. Operational areas that you need to ensure your software choice caters for can include:

- › Sales channels
- › Single/multiple brand(s)
- › Buying and merchandising
- › Planning and forecasting
- › Local and international suppliers
- › Secure and comprehensive payment options
- › Customer services
- › Returns management
- › Marketing and promotions
- › IT infrastructure

3. Identify the Key Business Benefits You Need to Address

When choosing your multi-channel retail software, you must consider the critical business benefits you are looking to address. These should include the ability of the software to:

- › Allow quick, easy access to real-time and historic management information.
- › Provide a seamless, joined-up customer shopping experience across all devices and channels.
- › Manage your stock at every touchpoint.
- › Deliver scalability to allow for potential expansion.
- › Provide cross-channel returns for your customers.

4. Don't Skimp on the Budget

Although more than half of companies report that their multi-channel retail software projects ran over budget, the truth is many simply failed to estimate the total cost of the project correctly. You must factor in everything - including consultancy fees, integration to third-party software, ongoing costs, research, and project management. Realistically, if you plan to grow your business turnover by a certain percentage, then you will need to increase your entire IT budget by that percentage too.



Being genuinely multi-channel means **investment in technology, logistics, marketing and people**: the latter two are easy, but the former can be beyond existing companies with non-scalable systems.

Three golden rules of multi-channel supply chains,
KPMG Global

5. Get Your Implementation Plan Details Straight

Multi-channel retail software implementations typically take between 6 and 8 months, when every detail of the project is planned carefully in advance. Many costly delays can be avoided by working closely with your own staff and the software supplier's project implementation team.



“Spectacular achievement is always preceded by unspectacular preparation.”

Robert H. Schuller, US motivational speaker

6. Ensure the Software is Fit For Purpose

Having defined your business strategy and what is required of a software solution to meet those needs, verify that each shortlisted system can fulfill them. If none of the multi-channel retail software systems under consideration can be configured to meet your requirements, how much additional development is needed? Will you be able to adjust the system as you refine your retail and fulfillment processes? Will the software work for you now and in the future?

7. Choose a Supplier Who is Focused on You

Only by using a supplier who will spend the time to understand your business processes, operations, sales, customer service strategy and growth objectives can you hope to find a software platform to suit your multi-channel needs.

Take the time to conduct detailed due diligence and you will be more likely to find a partner who will be the best match for your operational requirements and your budget. Find a partner who will have the expertise to support you through to the next stage of your growth. Remember that your selection of supplier will inevitably lead to a long-term relationship.

Next Steps

Although these observations will help your retail business with several critical decisions regarding the choice of your multi-channel retail software platform, there will be other considerations specific to you. By carefully screening would-be software providers, many of these issues can be identified and resolved before your project even begins.

What to Expect?

If you can resolve the issues above and select a multi-channel retail software system that is the right fit for your business, you will be able to provide a seamless joined-up customer shopping experience across all channels and devices. This will result in excellent customer service levels from initial purchase through to delivery and management of returns and enable you to anticipate customer needs and meet them with flair and enthusiasm. You can expect to boost sales thanks to promotional and up-selling capabilities across all channels.

On the supply side, your business will be able to identify supply chain issues that negatively affect sales lead times with ease and gain increased information on stock levels throughout your operations. In all, these benefits will enable your business to defend its market position and fight off the competition with ease - ensuring that it continues to grow.



Are You Ready to Learn More?

Aptean Retail ERP can help you meet customer expectations while maximizing business growth? Find out how, now.

Contact us at info@aptean.com or visit www.aptean.com.



About Aptean

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