



CHAPTER 1:

# **Unlocking Unified Commerce** with store operations



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With every new channel comes the fear that the store's relevance will be diluted. But in fact, it's the opposite: the store is central to the Unified Commerce experience. And it plays a key role in the vast majority of shopping journeys.

Stores are no longer just for sales transactions. They now serve many important roles, including:

- **Fulfillment.** Retailers can move product faster, cheaper and more efficiently by transforming their back rooms into additional distribution centers.
- **Customer-driven brand experiences.** Whether it's in-store entertainment or product education, stores can build brand awareness and customer loyalty.
- **Order pickup and returns.** Customers demand convenient cross-channel transactions. More customer journeys are concluding in the store. And this trend will only grow.

Customers demand empowered stores. Retailers benefit from them. So why do many organizations still face a delta between their Store Operations and business expectations?

For many retailers, it boils down to two things: awareness (what Store Operations realizes is possible) and their approach to talent (if and how they empower their associates to bring those possibilities to life).

This is easier said than done in one of the most volatile labor pools in recent memory. Especially when talent is largely — and understandably — apprehensive about retail jobs. Why? After well more than a decade of rapid and profound change, with no end in sight, outdated technology forced most retailers to place the brunt of the burden on their store associates. Whether it was minimizing job functions and hours with the rise of eCommerce, or asking associates to carry the weight of the entire operations on their shoulders post-pandemic.

It's no wonder why many retailers see the store as the stopgap between them and their Unified Commerce goals. But failing to adapt out of fear of store-level resistance will leave you behind.

So what can you do?

In this section, you'll learn how to utilize technology, talent and innovative process design to leverage and modernize your stores and elevate your entire experience above your competition.





## Don't believe the hype: stores matter more than ever

It's easy to fall for the pandemic-fueled assumption that digital channels will take over and stores will go the way of the Sears catalog. But even as more customer journeys include digital channels, stores still have the greatest potential for revenue and profitability. Retailers stand to benefit the most from store-centric omnichannel customers. Here's why:

- ▶ Omnichannel customers shop 1.7 times more, and spend more, than single-channel shoppers.<sup>1</sup>
- ▶ According to a recent report by McKinsey, technology is projected to double EBIT margin potential within the store by 2030.<sup>2</sup>
- ▶ In-store shoppers tend to be more qualified buyers than digital shoppers: stores typically convert around 30%, while eCommerce conversion rates are below 5%.<sup>3</sup>

But that's not all. Market forces and customer demands are expanding the capabilities and revenue opportunities of the store: in-store order fulfillment is forecasted to grow by double-digit percentages over each of the next several years.<sup>4</sup> Meaning, the store can benefit the organization on two fronts: reduce shipping costs and order times through the back room, and capitalize on foot traffic on the sales floor – by either increasing the chance of customer retention through a seamless experience, capturing additional sales upon pickup, or both.

Here's how to get Store Operations ready for the Unified Commerce transition:

**Reconfigure sales floor and back room layouts for flexibility.** 90% of retailers believe flexible store space is important to executing their store strategies.<sup>5</sup> A flexible store plan helps you adapt to demand and bring business processes live at the individual store level.

**Adopt in-store order fulfillment.** On top of an additional sales opportunity and brand touch point in the customer journey, store fulfillment helps retailers solve imbalances between supply and demand spurred by new channels and consumer behavior change.

**Eliminate the barriers between the customer and the sale.** Slow checkout times contribute to abandoned carts and a subpar perception of your brand. Mobile POS and other line-busting tools help reduce long lines and wait times on the customer's terms.

**Demonstrate the benefits of Unified Commerce to your Store Operations team.** With Unified Commerce, Store Operations now has access to a wealth of new capabilities: store-level access to CRM data, a real-time single-point-of-truth for inventory, agile merchandising opportunities, POS device flexibility and more.

**Redefine the meaning of the store.** Thanks to the Cloud and mobile POS devices, retailers can take their stores into the community. Events and pop-up shops allow retailers to engage customers and gain sales in brand-aligned environments.



## The secrets to attracting and retaining talent today

No store can be successful without talent. Store associates don't just put your Store Operations strategies to work, they can also have a profound impact on your organization on their own accord. An associate can embody your brand and elevate the customer experience, build a loyal customer base with a consultative approach or turn order pickups into upsell opportunities. They can even become an extension of your Social Commerce channels.

But quality talent is harder to come by in the retail industry. Before the gig economy promised more flexibility and higher earning potential, retail was the go-to industry for part-time labor. And despite having first crack at the labor market, retail has always struggled to retain talent.

Unified Commerce is holistic. Unlike other models, it doesn't streamline one aspect of your business in the hope of improving the others. It incorporates every aspect of your business to improve your place in the market and in the hearts and minds of your customers. That means systems, technology and *people*.

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In other words, the steps you take to make your retail jobs more appealing to the labor market will have a direct impact on your Unified Commerce goals.

**From attracting high-caliber store associates to retaining and nurturing them, these are the steps you should take:**

**Identify talent gaps and growth opportunities** across your organization. If an associate sees a future in your organization, they'll be much more likely to buy in and give their best. Create clear career paths and development programs to nurture talent.

**Move away from specialty roles and towards dynamic ones.** The labor pool is too small to expect a big team of specialists. Gen Z doesn't want monotony, either. Every associate should have a cross-functional role including sales, inventory and fulfillment.

**Put diversity and inclusion front-of-mind when hiring.** Customers and associates alike gravitate towards brands that reflect their values. Organizations gain a richer range of insights and ideas from a pluralistic workforce.

**Streamline the associate's role with software.** If you don't make it easy on them, they'll do it themselves. Associate workarounds like group chats or Google Sheets will get the job done, but will deprive you of data, agility and flexibility.

**Rebuild your training programs.** The Great Resignation forced many retailers to strip down training to the bolts just to get associates on the floor. The talent pool wants the opposite. They want to be engaged and grow. Invest in them and they'll invest in you.

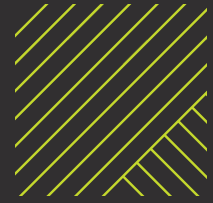
**Train consultants, not experts.** Customers tend to know more about the products they're interested in than the associate, who needs to know a little about every SKU. Consultation opens the door to retention and upsells, without eroding trust or credibility.

## The Changing Role of Store Associates

Labor market forces, evolving customer expectations and omnichannel are transforming the role of store associates by the day. In this podcast, Nikki Baird, VP of Strategy at Aptos, details the changes, challenges and future of the role.



**Want to learn more about getting the most out of the labor pool?**  
Listen to this podcast now.



## How to get the most from your stores and associates

With the right Store Operations strategy in place, and the talent to execute your goals, you will be well on your way to achieving your Unified Commerce vision. But there's one more layer to consider.

Unified Commerce is not about implementing two processes in parallel. It's about weaving those processes — and every other in your organization — together to reach greater heights. **These steps will help you align your strategy, technology and talent to earn the most possible value from your most important channel.**

- ▶ **Train associates that you're never out of stock.** Unified Commerce solutions give your associates access to real-time inventory data through Point of Sale (POS). Training associates to offer Endless Aisle options like Buy-Now and Pickup-at-Another-Store or Ship-to-Store helps you capture more sales and delight customers simultaneously.
- ▶ **Open clear communication channels.** Unified Commerce makes it easier and faster to add, enhance or change experiences. Whether it's between stores, or between stores and the front office, open communication channels help retailers share ideas, pivot and meet changing customer expectations in a timely manner.
- ▶ **Tailor hardware and POS placement to each store.** Footprint, customers, associates and order types will vary by the store. To create the optimal sales environment for your customers, associates and bottom line, determine the right combination of devices and selling stations — including fixed versus Mobile POS — for every store.
- ▶ **Emphasize order fulfillment as a chance for customer engagement.** An otherwise seamless omnichannel experience can fall flat if in-store order fulfillment underwhelms the customer. Instead of cold or anonymous hand-offs, order fulfillment is a time for associates to build bonds with customers, add on sales and elevate experiences.
- ▶ **Update payroll to reflect your staffing goals.** As associates take on wider and more dynamic job functions and store staff becomes more concentrated, retail organizations will likely need to overhaul their payroll. Full Time Equivalent (FTE) target hours and expectations should reflect a shift to less-but-better-qualified full time employees.
- ▶ **Teach staff how to troubleshoot technical issues.** Offline resiliency is a must-have for a Unified Commerce solution worth its weight. But other technical issues can still come up. All associates should be able to facilitate a quick resolution without sacrificing customer experience.





When they needed to streamline their Buy-Online-Ship-to-Store capability, L.L. Bean partnered with Aptos.



The result? Turning a manual process — where store associates took credit cards over the phone — into an automated one. After implementation, *“the process was reduced from 14 minutes to four minutes,”* and now *“stores just have to pick and pack as they receive orders.”*



[Click here to read the case study](#), plus additional customer insights on inventory management, innovation and more.



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Aptos is the worldwide leader in Unified Commerce. For more than 40 years, we have specialized in helping retailers deliver unified brand experiences by connecting customers in every channel to products across the extended retail enterprise. Our Merchandising, Inventory, CRM, Sales Audit, POS and Order Management solutions work seamlessly together to help hundreds of retailers always stay prepared for whatever shoppers will expect of them in the future. Aptos solutions are live in more than 125,000 stores around the world, where they

ensure that the store experience — still the centerpiece of the vast majority of omnichannel shopping journeys — remains relevant, empowering and engaging.

Our rich history as one of retail's leading technology solution companies ensures that every client, in every part of the world, is always prepared to thrive, no matter what the near future may bring. Learn more about how we can help your stores prepare for the near future of retail at [aptos.com](https://www.aptos.com).



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