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Preparing your retail enterprise for Unified Commerce:

The definitive guide to organizational readiness, adoption and implementation

Contents

Everything you need to know about Unified Commerce

Why read this guide?

Aptos' "Preparing your retail enterprise for Unified Commerce: The definitive guide to organizational readiness, adoption and implementation" offers retailers a thorough walkthrough of every step they will need to take for a successful Unified Commerce implementation. Unified Commerce is a nuanced subject with a lot of layers and perspectives — and many people find themselves trying to parse facts from a variety of strong, sometimes contradictory opinions. This guide gives retailers a clear path forward built with an equal emphasis on "why" and "how."

This guide will be relevant for you if:

- You are researching Unified Commerce to report back to your CIO, CEO or Board

- You struggle to make sense of this complex subject

- You are ready to take the next steps, but don't know how

This guide will give you the clarity to move forward with Unified Commerce. It will help you get buy-in from every department impacted by the transition, as well as understand exactly what you need to do in deep detail — for every process, department and touch point — to transform your organization smoothly and successfully.

But most of all, it will help you simplify the journey so you can achieve what matters most: becoming an agile and market-leading retail brand.

The retail market has always been complex. But this time, it's different.

There are more variables between customers and products than ever before. Each new channel, consumer behavior and order method further fragments and compounds your challenges into exponential difficulty, making it much harder to operate effectively and serve your customers.

Today, customers don't move from one channel to the next in a predictable or standard direction. And whether or not you currently have the capability to do so, your customers expect your inventory to follow suit.

To meet the high and often unpredictable expectations of customers, retailers must create a seamless experience. Regardless of channel.

Omnichannel hoped to change this. But while it improved many aspects of the customer experience, it:

- **Failed to account for technology, infrastructure and processes.** In the rush to take new channels live, many retailers didn't *consider how to make those channels work well.* Instead of an integrated system that leveraged channels and processes for a rich retail experience, retailers were left with disconnected, inefficient and ad hoc sales channels.

- **Proved inflexible to behavior change and new expectations.** The omnichannel transition is inherently reactionary: add new channels after the market demands them. And while this is a big step to serving your customers, it leaves retailers at risk of the future, weighed down by inefficiencies and behind in a market that requires proactivity.

Enter Unified Commerce.

What is Unified Commerce?

Unified Commerce integrates a retailer's back-end systems with their sales channels to create a holistic shopping experience where processes run faster and more efficiently, channels become more profitable and capable, and organizations become more agile and resilient.

How? The best Unified Commerce solutions utilize *universal* microservices — individual functions that can support each business process across all sales channels — and API integrations to connect and simplify every variable that impacts the relationship between customers and products, while unifying all data into an easily accessible, real-time single source of truth.

Omnichannel vs. Unified Commerce

Omnichannel aims to create a cohesive customer experience across all sales channels. However, it does *not* factor in technology, infrastructure and back-end systems. Omnichannel-enabled organizations that have yet to take the next step into Unified Commerce often struggle with siloed data and operations, inefficient processes and expensive or inefficient tech stacks.

Unified Commerce is the evolution of omnichannel. In addition to aligning sales channels, Unified Commerce also merges a retailer's systems, products, interactions and data to simplify and elevate the entire retail experience, for customers and enterprises alike. But most important of all, it gives retailers the flexibility to adapt *now and in the future.*

What are the key benefits of Unified Commerce?

Keep pace with customer and market dynamics without requiring additional technology, evaluating new vendors, creating custom integrations, conducting large-scale testing and roll-outs or accruing associated costs.

Create relevant and agile experiences that help retailers differentiate, encourage brand loyalty and meet customer expectations — no matter what those expectations are, or how they will change over time.

Reach optimal operational efficiency. Unified Commerce not only streamlines your current systems, but opens the door to new and innovative opportunities for time- and cost-saving operational optimization.

Innovate and iterate rapidly. The combination of unified channels and systems with agile microservices helps retailers test concepts quickly and with minimal downside, while making it easy to scale successful innovations.

Access a single point of truth in real time. Cloud-enabled Unified Commerce solutions give retailers real time access to key data across the organization, and put the right data in the hands of the right people at the right time.

Raising the bar on customer experience with Unified Commerce

The customer journey is now hybrid. But there is no single hybrid experience.

Whether it's Curbside Pickup or Buy-Online-Return-in-Store (BORIS), cross-channel order fulfillment services have come to be expected. And as retail experiences and expectations continue to evolve, the list of in-demand services will only continue to grow.

Unified Commerce enables retailers to offer these in-demand services, and more, without disrupting operations or requiring significant investment in supplemental software. Unified Commerce gives retailers the flexibility and latitude to meet each of the wide range of experiences customers want now — and adapt as customer behavior continues to shift.

What does Unified Commerce mean for the modern CIO?

The market has never been more elusive. Retailers have never had to adapt so fast.

And as software and the Cloud absorb more of the retail organization, the onus to adapt shifts to the CIO. Every decision the CIO now makes has direct top- and bottom-line implications. Every "yes" can change the trajectory of the business.

But, saying "yes" to the business has often been out of the CIO's control. And if it was, it likely meant pushing budget and capabilities to their limits.

Unified Commerce gives the CIO the ability to say "yes" to the business far more frequently, far more effectively and at far less cost — regardless of current or future market conditions.

Software updates and new or extended functions are deployed agilely, minimizing disruption and avoiding lengthy, expensive rollouts. Integrations are reduced and simplified. Testing cycles shorten and become less of a burden. And resources become more readily available for innovation and improving the customer experience. When the IT department becomes more agile and able to respond to change, so does the business.

If they embrace Unified Commerce, CIOs can drive a range of benefits including:

‣ Cost reduction

‣ Improved productivity

‣ Faster speed to market

‣ Agility

‣ Elevated customer experiences.

But it takes more than just a CIO being on board with Unified Commerce. It takes leadership and collaboration across departments to move the entire enterprise towards the same goal.

In this guide, you'll learn the department-by-department steps you can take to prepare your organization for your Unified Commerce transformation.

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Unlocking Unified Commerce with store operations

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.[1]

- According to a recent report by McKinsey, technology is projected to double EBIT margin potential within the store by 2030.[2]

- In-store shoppers tend to be more qualified buyers than digital shoppers: stores typically convert around 30%, while eCommerce conversion rates are below 5%.[3]

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.[4] 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.[5] 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*.

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.

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.

Leveraging a single point of truth with a unified inventory strategy

Gone are the days of the straightforward inventory flow. Customers expect inventory to move with the flexibility to match their customer journey, in whichever of the seemingly endless ways that can take shape.

Unified Commerce is about meeting demand wherever it comes from — on the customer's terms — seamlessly. It's about the experience, not the channel. To connect customers and products in the fragmented, ever-expanding retail market, retailers need to blend omnichannel experiences with a fluid inventory approach.

Unified Commerce is the solution: it gives retailers a single point of truth over inventory and the universal set of services, or microservices, necessary to allocate, adapt and merchandise each and every store with precision and timeliness.

Inventory transformation starts with Point of Sale

Point of Sale (POS) lays the foundation for virtually every Unified Commerce function relating to inventory. POS collects transaction data in real time, aggregates it into a single point of inventory truth and shares it across the organization, giving stakeholders at multiple levels of the enterprise access to hyper-relevant data and enabling them to make timely decisions.

At the store level, associates need to have complete visibility of real-time inventory. This allows them to implement revenue growing capabilities like Endless Aisle, Buy-Online-Pickup-in-Store, Click and Collect, Buy-Online-Ship-to-Store and more.

And POS is an indispensable resource at the corporate level. Every second of data lag puts you behind competitors who embrace the Unified Commerce model. With a Unified Commerce solution, every time an item is sold through any channel, inventory is updated immediately and shared across the enterprise via the Cloud.

Meaning: retail organizations no longer have to deal with the lag, inefficiencies and inaccuracies caused by traditional sales polling methods — even trickle polling. This minimizes the need for safety stock, freeing up dormant inventory and increasing sales velocity. And it allows retailers to stay competitive in, or even ahead of, the market. In addition, back of house stakeholders gain real-time visibility over deliveries, from large shipments to last-minute reallocations and transfers, improving inventory turnover.

On top of that? Real-time inventory data has immediate implications for every decision your organization will make. When your POS collects sales transaction data, you get a wealth of valuable, immediately actionable information shared across the enterprise in real time. The sooner you get data, the faster your algorithms and strategies can adapt — and the faster you can generate sales. With Unified Commerce, that process becomes automatic and immediate.

Not all POS solutions are capable. **Evaluate whether or not your current POS system is ready for the Unified Commerce transition against the following standards:**

‣ Your POS solution should enable an array of **in-demand services and experiences.**

‣ Associates should be able to **add on to in-store pickup orders** with ease.

‣ POS devices should be **mobile-first** and allow transactions anywhere in the store.

‣ Mobile POS should be **readily available for off-site events** like pop-ups and festivals.

‣ Your POS solution must be able to **keep pace with evolving customer expectations.**

‣ **Buy-Online-Return-in-Store (BORIS)** must be seamless for customers and associates.

‣ It should be easy for associates to **balance in-store and online order fulfillment** tasks.

‣ **Offline resiliency,** without the need for an in-store server, is essential.

When your POS collects sales transaction data, you get a wealth of valuable, immediately actionable information shared across the enterprise in real time. The sooner you get data, the faster your algorithms and strategies can adapt — and the faster you can generate sales.

Has your retail organization outgrown your POS?
Click here to take our assessment.

Unified order management makes customer expectations happen

With Unified Commerce, POS gives you the visibility to make winning decisions. An Order Management System (OMS) will help you put those decisions to work.

Customers want speed and a sense of control over their orders. They're accustomed to tracking food deliveries and Amazon packages in real time on their smartphones. More than 90% expect two-to-three day deliveries as the baseline — in fact, 30% expect same day delivery.[1] Delivery times are part of the buying decision, even if it means abandoning their cart with their credit card in their hands. As customer demands evolve and delivery windows shorten, OMS will become even more integral to your Unified Commerce strategy.

The reality is that most organizations are limited in their ability to keep pace with customer demands, especially when it comes to inventory data. Legacy technology, traditional or manual processes and siloed systems each place barriers between data and decision-making. And when inventory data finally gets in the hands of stakeholders, it's already too late to adapt to the market in time or to implement any decision of substance.

With full visibility over your inventory, you can meet their demands and overcome these limitations without incurring unnecessary costs. For example, you save expedited shipping costs by fulfilling products from local stores versus regional distribution centers. Or optimize your shipping processes to limit expenses for low-cost or low-margin products.

Unified Commerce solutions help you simplify and scale your inventory data and decision-making by enabling you to access real-time data, set user-defined algorithms, automate processes and adapt quickly.

And when OMS is tightly integrated with POS, retailers unlock a whole host of benefits in the store. Store associates get order visibility directly from POS devices. Associates no longer have to learn an entire new user interface or deal with more devices. For mixed cart orders, customers aren't burdened with extra hassle or additional receipts.

Take these steps when incorporating OMS into your Unified Commerce transition:

‣ **Compare OMS vendors versus your current order management capabilities.** Which solutions are capable of managing orders across every touch point? Which integrate with POS? Which offer the most relevant functionalities missing from your current OMS?

‣ **Evaluate for cloud capability with offline resiliency.** A cloud-based OMS will make it easy to coordinate orders across your organization. But downtime can be much more damaging. Offline resiliency, plus data security and privacy, can protect your business.

‣ **Plan your POS and OMS integration strategy.** Personnel are used to treating them as unrelated, siloed processes. When training, emphasize the time and efficiency benefits to stakeholders, including improved data visibility, productivity and decision-making.

‣ **Adjust store layouts accordingly.** Stores will no longer function solely as sales channels. Prepare store layouts and staff for increased store roles and functionality, including order fulfillment and cross-channel sales or returns.

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Real-time inventory and supply chain visibility are the biggest challenges in retail today.

James Hawkins
Product Manager, Global Retail Technology
New Balance

Click here to learn how New Balance overcame their inventory obstacles with Aptos.

Enhance your stores to transform your enterprise with Unified Commerce

From the store experience to the flow of inventory, Store Operations plays a key role in simplifying the connection between customers to products in the complex modern retail market.

By working with departments across the enterprise, you can drive meaningful change through Unified Commerce — and help your organization lead the market despite dynamic conditions.

Visit the Aptos Unified Commerce Resource Center
to learn more or book a demo now.

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Bringing your value proposition to life through marketing

In Unified Commerce, everything revolves around the customer. Marketing, therefore, plays a central role: winning the customer's consideration through differentiation, then delivering on it with a seamless, engaging customer experience. From promotions to brand perception across every channel, marketing sets the tone. Unified technology and infrastructure means nothing if the customer experience falls short of expectations.

Customers see brands, not channels. Today, a disappointing store experience isn't an isolated issue. It's a permanent dent in the brand perception. And, despite the approach of many marketing departments,

customers evaluate brands based on how they fit in *their* lives, not how they fit into a brand's target segment or persona. To succeed in the retail market now, marketing must craft holistic, integrated and personalized brand experiences — orchestrated across channels and touch points.

But with Unified Commerce, that's hardly a thankless task. Marketing departments who answer the call are rewarded with real-time, deeply detailed customer intelligence collected at every touch point and transaction. Unified Commerce, then, turns marketing processes into flywheels, with each successful customer interaction building the brand's momentum.

Making sense of modern customers

Omnichannel customers tend to interact with retail brands more than single channel customers, opening the door for higher spend and deeper loyalty. And because omnichannel experiences encompass more touch points, customers are often much more likely to recommend brands with unified brand experiences over single channel brands.

But with more opportunity comes more competition. With the early stages of the customer journey moving to the mobile internet, customers have more exposure to your competitors than ever before. Modern customer journeys take shape in an overwhelming range of ways. And retailers face an unprecedented amount of obstacles, competition and chances to drop the ball.

So what can you do to appeal to the modern customer?

It's imperative for marketing to **set and maintain a high standard across the omnichannel ecosystem,** with extra eyes on **the store.** Whether the customer is considering your products, purchasing a product, or picking up an online order, the store will likely play a vital role in their journey.

> The retailers that can capitalize on the personalization gap get a head start on customer acquisition, plus greater opportunity for customer retention.

Customers want a personalized experience. And retailers see the need. According to recent research by McKinsey, *100*% of retailers in the top quartile of revenue growth "cited omnichannel personalization as a top five priority, but only 15% of retailers have implemented it across all channels."[1] Retailers recognize the high demand for personalization, but the vast majority have yet to catch up to the leaders in the market. The retailers that can **capitalize on the personalization gap** get a head start on customer acquisition, plus greater opportunity for customer retention.

For digital transactions, delivery times are interwoven into the buying decision. And while most products demand fast fulfillment, customer expectations change based on the product and brand. **Treat delivery times as a marketing function** as much as an order management one. For example, a niche, specialty or luxury product may actually *benefit* from a long delivery time, as it may create the perception of exclusivity or personal touch.

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That's the flip side for retailers: figuring out what is worth the wait and making those experiences and products really treasured, because there's a magic to that in a world where you've got all of this instant noise.

McKinsey: Forecasting the Future of Stores
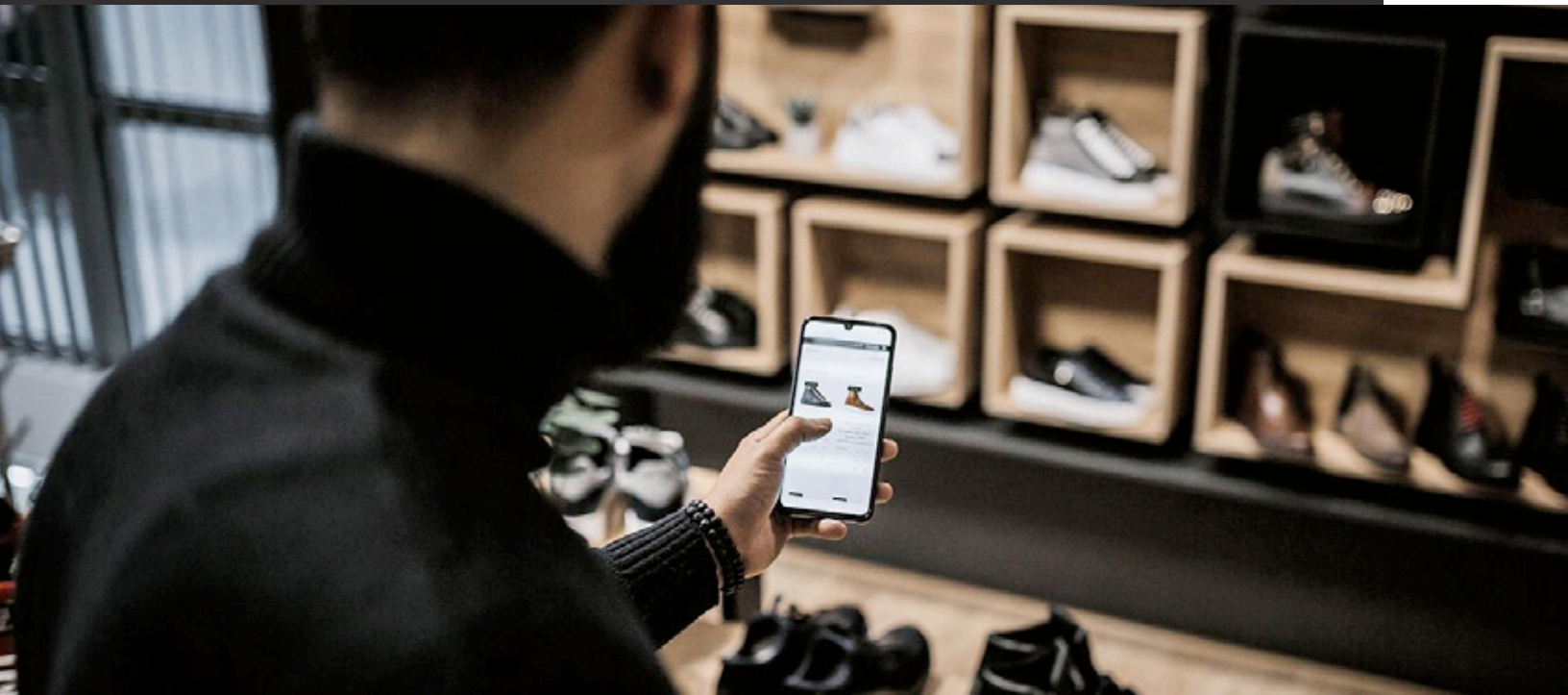
The modern customer puts their values behind their dollar. Diversity, inclusivity, equity and sustainability are the most in-demand values today. And the brands that take these values to heart will command more market share: 57% of shoppers are more loyal to brands that take action on social issues.[2] Customers will even sacrifice experience to a degree if it means the brand is sticking to their values, particularly with sustainability.

These steps will help your marketing team attract modern customers and deliver a Unified Commerce experience:

- **Track KPIs relating to customer experience,** including average delivery times, conversion rate, rate of return, revenue growth and satisfaction scores.

- **Incentivize and reward omnichannel behaviors** to create more opportunities to interact, engage and convert more shoppers into customers.

- **Establish consistent standards and expectations across the omnichannel ecosystem,** including pricing, promotions, policies and customer interactions.

- **Work with IT to integrate Customer Relationship Management (CRM)** into customer touch points, segmentation and marketing strategies.

- **Decide on any custom metrics** that you want to track, and, if necessary, create custom fields and automations to incorporate this custom data into your CRM.

- **Market order management capabilities** on store signage, receipts and invoices to build awareness for in-demand services like next-day delivery or cross-channel returns.

- **Break down silos within the marketing team** so previously unaffiliated channels (i.e., Store Operations and eCommerce) can work together to deliver a Unified Customer experience.

- **Ethically aggregate first-party data to personalize customer interactions** (via transactions and social media), making sure to be transparent to build trust.

- **Determine the most beneficial moments in the customer journey** to add value through differentiated experiences culled from customer, store and associate feedback.

- **Create ideal product-delivery fit** by bringing together key stakeholders in branding, pricing and operations as well as OMS and CRM data.

- **Communicate genuine diversity, inclusion, equity and sustainability values** at key customer touch points and across every sales channel.

Why you want more in-store shoppers

Unified Commerce is as much about customer acquisition as it is about retention and experience. And while every customer is valuable, some retailers have taken their eyes off the *most* valuable customers: in-store shoppers. Around 85% of retail transactions are still handled in the stores, despite the proliferation of channels.

With an ever-growing list of sales channels at the disposal of the modern customer — many of which are more convenient or immediately available than the store — the very act of in-store shopping signals a more qualified customer. Purchasing intent tends to be higher, too, with the bulk of window shopping, browsing and consideration moving to digital channels like eCommerce and social media.

Stores also pose unique advantages to digital channels. The human element opens the door to increased customer loyalty, opportunities to upsell and richer CRM inputs. Stores don't have to compete as hard for attention versus digital channels and can provide a more concentrated and interactive experience. And since store shoppers have a tactile interaction with your products, customers are less likely to return products, protecting your profitability.

Unified Commerce puts the power in your hands to create automated, sophisticated systems that deliver seamless and personalized experiences — tailored to a customer's unique preferences and behaviors — *while* increasing customer intelligence and earning key data; allowing you to iterate on customer experiences catalogued in your POS, OMS and CRM. *And* create a proprietary and ever-improving feedback loop to support marketing. **At scale.**

In other words, by putting your emphasis on the store, you can unlock an advantage even under the umbrella of Unified Commerce. The retailers who work with vendors that center their efforts on the store will have better insights, deeper customer bonds and a more solid foundation than those who focus on eCommerce or other in-vogue channels.

Stores don't have to compete as hard for attention versus digital channels and can provide a more concentrated and interactive experience.

Here are three simple yet powerful ways to concentrate customer traffic to your stores:

1 Incorporate store-exclusive or store-first products and promotions into your marketing strategy to incentivize foot traffic, express your value proposition and expose customers to the benefits of shopping in store.

2 Partner with the merchandise planning team during the experience design stage. Incorporate experiences that promote new assortments, add value to customers, foster community and build your brand.

3 Leverage your CRM for analytics, segmentation and loyalty programs to get the most value out of your in-store processes; and to design promotions and merchandising decisions that maximize store traffic.

How to create a value proposition for limitless customer journeys

Differentiation has become one of the biggest, if not the biggest, competitive factors.

The rules have changed. Expectations have expanded. It's no longer just about the products you sell or the story you tell, but the experience you create to put your customers at the center of the story, and how your products move *their* story forward. That comes with a lot of complexity. Not only are there a seemingly infinite number of possible steps in the customer journey, but there is a growing list of channels where they can take place. Marketing is tasked with a huge job: tell a singular, customer-centric story to a massive customer base, scattered across and jumping between channels without a common pattern.

Unique value propositions (UVPs) will have to adjust accordingly. Knowing exactly what customers want to experience, how they want each experience catered to them and how you implement that balance across channels and touch points may sound virtually impossible. Establishing a strong, defensible UVP with plenty of air to breathe for personalization sounds contradictory.

Honing in on a UVP fit for the modern retail market is still a challenge. But with the combination of real-time insights aggregated from every transaction and the agile infrastructure to shape experiences across channels and touch points, Unified Commerce makes it much easier.

These steps will help you create or update your UVP to fit the modern market:

- **Work with key stakeholders to determine your differentiating qualities.** Every department has the potential to offer unique angles or advantages that siloes may have kept out of marketing's field of vision. Ask, "what do you believe makes our organization stand out?" Test these beliefs and assumptions against customer feedback and data highlighting your top performing products, categories and price points.

- **Research the market from a customer-centric perspective.** Some retailers may fall for the trap of creating a UVP that reflects how they *want* customers to think or behave, not how customers truly view the brand. To put the focus back on your customers, consider which differentiating quality will help you best achieve the most potent product-market fit.

- **Outline a strategy to roll-out your UVP to the market.** Which channels and touch points will you use to share your UVP? Where in your processes and your experience design can you bring it to life? How will it take shape to fit the context of your target customers' journeys? Where and how will it blend with personalization?

- **Audit your current technology relative to your UVP.** How does each piece in your tech stack help or hinder your ability to implement your strategy? For example, if speed and convenience are integral to your UVP, does your OMS help you consistently execute next-day deliveries? Work with your IT team to update inconsistencies in your tech stack.

- **Select a Unified Commerce vendor that can best implement your strategy.** Not all Unified Commerce vendors are created equal. Evaluate vendors for agility and the ability to adapt to current and future market shifts or changing goals. API-friendliness and an agile deployment approach will help IT support your marketing goals.

"You have to innovate or disappear. [But] you first have to get your house in order," says Andy Laudato, Executive VP and COO of The Vitamin Shoppe. One of the major benefits of using Aptos ONE is that it **"allows us to interact instead of just transact."**

Click here to read about how The Vitamin Shoppe leverages Unified Commerce technology and human ingenuity to innovate and differentiate.

Craft a differentiated brand for modern customers with Unified Commerce

With Unified Commerce, marketing teams can boost their value proposition with cohesive experiences that are as personalized to the customer as they are distinct to your brand.

By working with departments across the enterprise, you can drive meaningful change through Unified Commerce — and help your organization lead the market despite dynamic conditions.

Visit the Aptos Unified Commerce hub to learn more or book a demo now.

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[1] "Retail speaks: Seven imperatives for the industry." McKinsey.

[2] "Updating the trend: Authentically inclusive marketing." Deloitte Digital.

Elevating your operations with an omnichannel approach

The retail market waits for nobody. When a new channel clicks with customers, retailers must add it to their omnichannel ecosystem as fast as possible, regardless of how it will integrate or interfere with their current operations. Every channel adds another layer of complexity and, if left unchecked, increases the odds of incompatibility. And in a time where channels emerge at a breakneck pace, and with more taking shape, your organization may struggle to keep up.

Consider the core channels you may already have to juggle:

Store	eCommerce	Marketplace	Mobile

Social Media	IoT	Catalog	Kiosks

Now think about how your organization runs each channel. If you're like many retailers, each feels like a cohesive piece of your omnichannel on its face. But behind the scenes, you're likely still treating each as an individual, disconnected channel with redundant or inefficient processes.

Omnichannel operations is the process of mirroring the seamless flow of your cross-channel brand interactions in your *customer-interfacing operations* to reinforce and elevate the customer experience. Making it a core component of your Unified Commerce transition.

What are the key benefits of omnichannel operations?

Faster time to market

Retailers operating with legacy technology are often forced into implementation cycles lasting a year or longer — glacial compared to the pace of the modern retail market. Unified Commerce services can be tested, iterated and implemented in a fraction of the time and money, redefining what's possible for your omnichannel experiences and from your R&D department.

Empowered associates

Bought-in associates can be one of your most valuable assets. Contrary to popular belief, many associates actually want to work harder and do more, so long as it gives them a sense of pride, ownership or connection to your organization. Omnichannel operations support their ability to complete meaningful tasks with efficiency and solve problems on the fly (and on their own).

Inventory productivity everywhere

Inventory inconsistencies can cause two big problems: They can undermine even the best omnichannel interactions and grind inventory turnover to a halt. Unified Commerce gives you access to an accurate and real-time single point of inventory truth, helping you move inventory faster by making every item available on every channel — no customer confusion required.

Improved customer retention

Customers have more options than ever. It's easier for your competitors to reach your customers more than ever. There's never been a lower barrier to leave your brand behind. The key to retention today is a differentiated, consistent and trustworthy brand experience. Omnichannel operations ensure you can live up to your customer's expectations and earn their loyalty.

Increased operational efficiency

The goal of omnichannel operations is to integrate technology across every department and sales channel in the enterprise to streamline and support customer experiences. With Unified Commerce, your store technology helps associates be more productive (fulfill orders, view inventory data and access CRM with ease, for example) while reducing redundancies and aggregating data that will help the organization improve.

> Unified Commerce gives you access to an accurate and real-time single point of inventory truth, helping you move inventory faster by making every item available on every channel — no customer confusion required.

Your stores are your next distribution centers

Stores are the most impactful channel for a variety of reasons.

But in the context of omnichannel operations, stores are the most adaptable and readily available channel for moving the customer journey forward, even if the customer never steps foot in one. Stores are typically much closer to customers than distribution centers, and less dependent on highways and vast, cheap land for storage. Back rooms can house inventory for the store front and digital channels at the same time. Planograms can be adapted to meet market demand.

By and large, retailers are recognizing the essential role stores play now and in the future. Seventy-one percent of retailers currently have, or plan, to implement a Unified Commerce solution. At the same time, 71% of retailers also say stores are part of their future growth plans.[1]

To close gaps in supply and demand, shorten delivery times, reduce costs *and* improve customer experience across every channel simultaneously, retailers can gain a substantial edge by transforming their back rooms into supplemental distribution centers.

In-demand services like Buy-Online-Pickup-in-Store (BOPIS) and Ship-from-Store are made easy. Organizations can fulfill short delivery times without paying for expedited shipping fees. Data collection for merchandising and assortment planning becomes more specific; for example, if a retailer sees a product move at a higher volume through digital channels in a certain area, they can add it to the planogram immediately, without the delay of distribution.

Stores-as-distribution-centers turn the inventory management process from a disconnected experience to a unified one. A single point of truth becomes a singular tool to leverage.

Consider the following when planning for supplemental store distribution:

‣ **Evaluate your floor space for profitability and cost-effectiveness.** How can your current floor space be utilized to strike the optimal balance between in-store selling and distribution for other channels? This may change by layout or location, but the goal is to set a standard. Flexibility is key to driving the best profits for each location.

‣ **Audit your recurring yearly promotions.** How does each promotion impact sales volume? Which SKUs sell the most? What are their footprints? Where are the orders coming from? A successful inventory strategy is a dynamic one. Store space can change to meet projected demand, particularly for peak versus off-peak seasons.

‣ **Determine holiday cost fluctuations.** How can your store layouts and distribution strategy help reduce costs and delivery times without interfering with in-store merchandising? Shipping and transit costs skyrocket during the holiday season. Even if stores-as-distribution-centers aren't the best fit off-peak, it may be valuable for Q4.

Integrate your front office
and your enterprise

In Unified Commerce, the entire retail organization works in harmony to serve a common goal: delivering a seamless retail experience through the customer's brand interactions and the organization's systems and services. To make that work, the front office and the enterprise can't run parallel to each other. Their functions and goals must all be interwoven together.

It may seem almost insurmountable to align your departments, distribution and channels, but the results are well worth your effort. Virtually every business process and system reaps mutually beneficial rewards through unification, notably:

- Sales and POS

- OMS

- CRM

- Inventory management

- Fulfillment and returns

Microservices, the building blocks of Unified Commerce, make that possible. Unified Commerce vendors create these microservices — individual blocks of code that give retailers additional capabilities — within the vendor's ecosystem. Most microservices tend to support individual capabilities under the umbrella of complete solutions (i.e., store fulfillment for OMS). Think of microservices like the muscle and the connective tissue: they make in-demand services possible and contribute to the greater system in one smooth move.

Retailers have two options for incorporating microservices into their organizational integration strategies: either create a fully custom technology stack, where microservices and software products are individually sourced and compiled; or a unified solution where microservices and software products are collected into a vendor's ecosystem.

The following chart will help inform you on how to
proceed with the steps outlined later in this section.
To learn how to apply your preferred approach to
your IT transition, read "Preparing your technology
infrastructure for Unified Commerce."

Which Unified Commerce solution structure is right for your organization?

	PROS	CONS
Custom technology stack	‣ Intuitive compatibility via API architecture ‣ Complete flexibility ‣ Greater degree of customization	‣ More steps to unification ‣ Resource-intensive (more time-consuming and expensive) ‣ Added complexity
Unified solution or ecosystem	‣ Easier, more cost-effective and more durable ‣ Greater adaptability: all levers in one place ‣ Faster turnaround	‣ More exposure to vendor ‣ Lesser degree of customization ‣ If vendor lacks offline resiliency, higher impact of downtime

Here's how to integrate your office and enterprise processes:

Identify your organization's most critical pain points and limitations. Which processes continually put you behind your competition? Which processes demand the most resources? What services are frequently requested in your customer feedback?

Decide whether you want to create a custom stack or pursue a unified solution. Many retailers will find a single solution or vendor ecosystem to be the more agile option. But a custom stack may be a better fit for retailers willing to trade complexity for control.

Evaluate vendors with the following questions:

- Are their solutions comprehensive enough to solve existing problems and adapt to new or unforeseen ones, without sacrificing agility?

- Are their solutions grounded in significant retail experience, with an empathetic understanding of your needs, expectations and pain points?

- What is their approach to microservices? Which microservices do they offer?

- Can their solutions work as effectively within the ecosystem and with your existing solutions? (In other words, are they API-capable)?

- What is their methodology for development, quality assurance and deployment?

Align key stakeholders in every relevant process. Outline the mutual time, efficiency and data benefits of an omnichannel operations strategy over a siloed one and build organizational buy-in to streamline the Unified Commerce transition.

Map your Unified Commerce goals to your current processes and systems. This will help you identify current gaps, while revealing which microservices you need to satisfy your customers and integrate your stores, distribution centers and front offices.

Align your operations for seamless success with Unified Commerce

From the store to the office, Unified Commerce integrates your operations to become more agile, resilient and efficient. To stay competitive in a constantly changing market.

By working with departments across the enterprise, you can drive meaningful change through Unified Commerce — and help your organization lead the market despite dynamic conditions.

Visit the Aptos Unified Commerce Resource Center to learn more or book a demo now.

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[1] "2022 POS & Customer Engagement Report." Aptos.

Preparing your technology infrastructure for Unified Commerce

Technology is the tool that lifts retail organizations from omnichannel brands into Unified Commerce market-leaders. But where many retailers fall short is the assumption that leveraging their existing technology will get them where they need to be, when in reality it makes them more vulnerable.

Retailers can be held back by:

- Aging or outdated store hardware

- In-store servers

- Traditional store polling methods and other delays to their data

- Legacy operating systems and their related support issues

- A lack of mobile support

- Tedious requirements for integrating new technology

It can be understandable why retailers stick to tried and true technology. In particular, talks about moving POS and other critical processes to the Cloud stoke fears of organizational downtime, stores going dark when the Cloud is out of reach, or worse. So it's only natural to stick to the Register 1 approach. But while it is a rare capability amongst solutions, any vendor worth your dollar and your trust will **prioritize offline resiliency.**

A Unified Commerce organization will be measured by their ability to be agile and resilient. Legacy technologies trade agility for resiliency. Shallow solutions put the clamps on both. And the impact becomes more apparent as you reach edge-of-company solutions like POS. Agility will help you stay in business at the organizational level. But resilience will help you stay in business at the store level — offline resiliency, for example, means the difference between staying open and collecting sales versus shutting the doors for the day when something goes wrong. But agility and resilience together will help you innovate, whether that means launching a pop-up shop or meeting your customers where they are in a way that's never been done before.

By deploying technology for Unified Commerce, retail organizations can unlock a variety of benefits, including:

- A reduced hardware footprint, accounting for as much as 25-55% cost reduction

- New register setups shortened to a matter of minutes

- 25-50% shorter implementation time for integrations

- Quicker ROI on new capabilities

- Offline resiliency, plus enhanced data privacy and security

Three pillars inform technology enablement for Unified Commerce:

1 A microservices approach

2 An agile deployment methodology

3 Comprehensive implementation

Microservices are the building blocks of Unified Commerce

In the past, retail organizations were accustomed to sinking massive investments into monolithic platforms based on traditional IT architecture. These platforms tended to be expensive, bloated and resistant to adaptation. And any update, integration or customization came with a significant cost and lengthy, complicated roll-out. Technology is meant to make lives easier. Instead, legacy technology often weighed retailers down.

Microservices play a big part in Unified Commerce's agility advantages. Their inherent flexibility helps retailers deploy new services and capabilities with much less time, money and complexity.

Why? Microservices allow retailers to layer in new capabilities without the need for expensive and time-consuming roll-outs and integrated system-wide testing, allowing retailers to test, iterate and deploy quickly and automatically through the Cloud. Instead of an entirely new user interface, microservices are added to your existing Unified Commerce solution(s), making adoption well within user's comfort zones. And because they work to augment your workflows and capabilities, not replace them, retailers don't have to worry about interfering with the cross-channel and interdepartmental flow of data — you get a single source of data truth that becomes more agile, flexible and powerful over time, *not* more cumbersome.

A primer on microservices

Microservices are business capabilities packaged into individual modules, deployed individually yet fundamentally interrelated and interoperable via API. Microservices are lightweight and easy to integrate. They work equally well within a vendor's ecosystem, partner solutions and your existing software.

They're easy to deploy, link and stack to create in-demand experiences with minimal time and effort — and without the need to build or buy additional expensive custom integrations.

Microservices make it easy and inexpensive for IT departments to test, iterate and scale services. And because Unified Commerce vendors typically deploy additional microservices as needs grow in the market, retailers no longer need to worry about another bulky upgrade or taxing roll-out — you can consider Unified Commerce as the last upgrade.

Bringing the best of Service Oriented Architecture into the mobile-first, cloud-connected modern retail industry, microservices lean on APIs to break down silos and collect, share and leverage data automatically, no micromanaging required.

What are the key benefits of microservices?

- **Faster time to market:** Microservices enable retailers to improve continuously, without delays, high costs or other barriers between goals and growth.

- **Flexibility and adaptability:** Instead of a static architecture, retailers work with a dynamic ecosystem of microservices and a flexible means to implement them.

- **Reduced costs:** Developers spend less time and money changing code. Integrations become faster, easier and less intensive. Infrastructure costs decrease substantially.

- **Innovation enablement:** Testing isn't just less expensive. It also becomes significantly easier to port successful tests over and scale across the enterprise.

- **IT-Enterprise alignment:** IT departments gain a set of agile and flexible tools to address business needs in stride and solve urgent problems faster.

Why you should shift to an agile deployment methodology

IT departments are used to working with long, cumbersome and infrequent product updates with monthslong software (and if necessary, hardware) implementations, exhaustive training and a tidal wave of support or troubleshooting long after deployment.

Enter agile deployment. Originally a software development methodology, agile deployment has come to define the leading Unified Commerce vendors' approach to supporting retailers with technology. Its roots are in development sprints, and in a rapidly changing industry like retail, agile deployment makes sure that (a) vendors have their finger on the pulse of what organizations need most, and (b) solutions to the market's biggest problems are always imminent.

Vendors take a couple approaches to agile deployment. Some release product updates and new microservices at a continuous clip. Others recognize how this can overwhelm the retail organization, choosing instead to *develop* at a continuous clip, dial in on testing and bug fixes and release better, more comprehensive updates at a more consumable pace.

Regardless of release schedule, agile deployment gives retailers the power to adapt, iterate and optimize in-step with the market. Without having to wait for legacy vendors to catch up.

With agile deployment, each release and update is shared to customers through the Cloud as a SaaS solution. Vendors offer customers one of the two following cloud infrastructure options:

‣ **Multi-tenant:** Customers share a cloud server with other clients

‣ **Single-tenant:** Also known as Virtual Private Cloud (VPC), customers get a dedicated cloud server exclusive to their business

An added benefit? The fundamentals of agile deployment also make it significantly easier for retailers to bring new stores live. Because software implementation is remote and deployed via the Cloud, retailers can push their entire software and systems to mobile or fixed POS devices almost in an instant. IT departments can now deploy on a one-to-many basis, much faster than the traditional one-to-one deployment process. This helps organizations reduce labor costs, implement software seamlessly and, since stores can now be up and running within minutes, earn a return on investment (ROI) faster.

Leading Unified Commerce vendors take one step further. By designing their user interfaces to be as intuitive as a consumer mobile app, retailers can deploy new updates and microservices with little-to-no training. Allowing the retailer to adapt with minimal internal friction.

IT departments should be prepared for a new workflow: timely, low friction roll-outs with less of an emphasis on deployment and troubleshooting and more of an emphasis on growth and innovation. Sweeping change will become incremental change — the more microservices go live, the less dependent retailers are on outdated processes and technology.
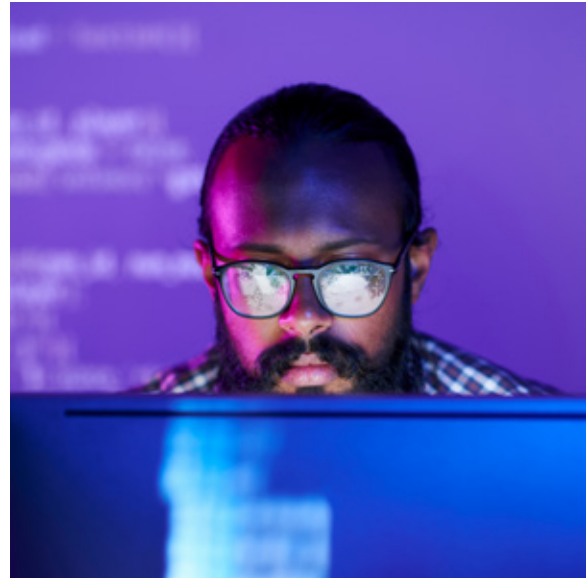
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Vendor must-haves for tech infrastructure and data security

As the service that deploys your entire software infrastructure, your vendor's Cloud
solution is critically important. And while some will offer the following at an extra cost,
the right vendor will offer these key infrastructure and security features out-of-the-box.

Look for the following Cloud Services when evaluating Unified Commerce vendors:

INFRASTRUCTURE

- Global, on-demand and scalable private Cloud infrastructure

- Separate production and test environments

- 24/7 application and 3rd party integration monitoring, alerting and resolution services

- Comprehensive back-up strategy, including disaster recovery

- Patch management and antivirus updates

- Infrastructure capacity management and performance optimization

- Domain and system administration

- Networking and DBA Support and services

SECURITY

- Physical and virtual security

- Dedicated security team following best practices

- Compliance with SOC II, PCI-DSS and GDPR

- Vulnerability management, including internal screening, external scanning and penetration tests

- Security incident and event management with automated alerting

- Antivirus with daily pattern file updates

How to implement your Unified Commerce solution

Now that you have a thorough understanding of Unified Commerce as it relates to IT, it's now about implementing it in your organization. In this section, you'll learn exactly what steps you need to take with your team, software and hardware for your Unified Commerce transition.

Preparing your team

- **Determine which microservices and processes you will implement.** Unified Commerce minimizes many of the tedious and complex tasks that take up the bulk of your IT department's time. This step will help you figure out exactly how each of these automated solutions will impact each employee's workload.

- **Reassign personnel to revenue-growing or brand-building tasks** like branded app development, in-store experience and web development, based on best fit. Also, **assign strategy and oversight functions** to subject matter experts on your team.

- **If necessary, eliminate redundant roles** and assign redundant resources to new, potentially higher value roles.

  Set new Standard Operating Procedures (SOPs). Employees will need guidance with their revamped role. Set clear expectations and teach employees how to utilize the new technology. If necessary, get employees acquainted with the new hierarchy.

- **Identify current and potential future technology gaps,** including those that impact innovation and R&D goals. Prioritize solving specific and urgent business problems as well as streamlining key functions like order management.

- **Train employees on their new relationship with data.** Versus periodic data collection (i.e., sales polling), data will now be shared between channels via the Cloud in real time. Decisions can now be made faster. But decisions will also impact more departments.

- **Create a blueprint for success unique to your business.** Quality assurance surveys, internal analysis, process design and more can each inform your blueprint. This blueprint will be instrumental in gaining formal approval from your Board of Directors and CEO.

- **Design an implementation plan.** Confirm what will need to be done as it relates to data migration, testing, staff training, omnichannel and other systems. Consider how your Unified Commerce strategy will work with solutions from other vendors.

Implementing software

- **Run a series of benchmarks and assessments** to discover any potential problems before roll-out. Testing your plans rigorously helps ensure your systems will work in the market as designed. Make sure to test offline resiliency and identify any data obstacles.

- **Determine which cloud architecture is the best fit** for your organization. Multi-tenant is typically the lower cost alternative. But single-tenant cloud architecture gives retailers better control, security and service. Single-tenant can accommodate multiple banners.

- **Select a software architecture aligned to your business goals.** Transitioning in one fell swoop? Look for vendors that serve your non-negotiables. Transitioning over time? Prioritize key capabilities and seek a vendor with an active agile methodology.

- **Audit your existing software for compatibility.** Where will your new Unified Commerce solution need to integrate with existing software? Which software can you eliminate? Which gaps in functionality will need to be addressed?

- **Evaluate Unified Commerce vendors based on the following characteristics.**

  - **Composable:** In order to adapt to an ever-changing market, retailers need a solution that can be flexible and agile. Microservices and the Cloud help retailers build and deploy service "stacks" that meet the demands of the market.

  - **Resilient:** Peak loads and network outages will only be more common. Offline resiliency, supported by enterprise-grade security, is essential for any retailer that wants to stay in business during downtime without outdated in-store servers.

Implementing hardware

‣ **Decide whether you want to keep legacy hardware or implement new hardware.** Legacy hardware is not a dead end. Leading vendors will support modern hardware technologies as well as Android and iOS devices for retailers upgrading to mobile.

‣ **Map Unified Commerce ambitions to existing hardware architecture.** This will help you identify gaps, recognize which devices you'll need — and in what quantity — and help you coordinate in-store, front office and distribution center hardware.

‣ **Evaluate prospective vendor's partnerships and hardware strategy.** The right vendor will leverage their strong partnerships to help you with every step from selection and sourcing to ongoing maintenance with optimal return on investment.

‣ **Define your expectations for hardware support.** Do you prefer to have your Unified Commerce vendor manage warranties for you? How quickly do you expect support? Setting expectations ahead of time prepares your team and helps filter your options.

‣ **Gauge your organization's interest in off-site sales.** Will selling your product at pop-ups, events or festivals resonate with your customers and elevate your brand? If so, narrow down your vendor prospects to those that support truly Mobile POS.

Upgrade infrastructure to elevate your enterprise with Unified Commerce

Unified Commerce is the technology-first, retail-native solution to stabilizing and streamlining your organization today, while giving you the flexibility to adapt in the future. Without friction.

By working with departments across the enterprise, you can drive meaningful change through Unified Commerce — and help your organization lead the market despite dynamic conditions.

Visit the Aptos Unified Commerce Resource Center to learn more or book a demo now.

Cultivating a culture of innovation

Innovation is directly linked to Unified Commerce's value proposition: enabling retailers to adapt and differentiate. As competition continues to rise at a staggering pace and new and exciting channels lose their luster, retailers will need to consistently innovate to stay relevant.

Unified Commerce gives retailers the organizational stability and technical resiliency to innovate consistently — and with a short path to potential ROI. Microservices and cloud-based architecture enable retailers to pilot R&D projects, test and iterate quickly and scale successful innovations at pace with the market. Business model innovation has never been easier: companies can now implement differentiated and highly successful retail experiences through new channels and devices, new technologies and via sample sales and pop-up shops or branded events, with an unprecedented speed to market.

Retailers are even seeing substantial revenue growth by rethinking what their POS can achieve. Several retailers are putting real-time inventory data in the hands of their associates to drive additional sales — for example, an item may be out-of-stock at their location, but available online or another location; customers can add it to their current transaction and have it shipped to their home.

Others are blurring the lines between their channels. Retailers coordinate experiences that align with their brand, build loyalty and contextualize products in an extension of their brand story or value proposition — and sell more units. Organizations bring new fulfillment models into the fold: Buy-Online-Pickup-in-Store (BOPIS) and Curbside Pickup were nascent adaptations that became permanent fixtures, and more will almost certainly stick.

Unified Commerce lays the foundation for a business culture of innovation. And with a steady flow of new microservices and channels, retailers are in a prime position to mix-and-match or remix ideas to their heart's content and customer's delight.

Unified Commerce solutions are built for a unique blend of agility, flexibility and adaptability that is as future-proof as it is future-facing. Your potential for innovation is only bound by your organization's imagination. This chapter will give you the tools to realize the possibilities.

Getting a Seat at
the Innovation Table

The retail market is at an inflection point. And the need for innovation will only increase. In this podcast, Nikki Baird, VP of Strategy of Aptos, shares insights on the evolving impact of technology and personnel on retail innovation.

Listen to this podcast to learn more.

To adapt and differentiate in the future, good is no longer enough

More than 70 retailers have declared bankruptcy since the COVID-19 pandemic. And while we may not see another black swan event in our lifetime, retail organizations will continue to feel the pressure of the pandemic — in fact, supply chains have yet to catch up. It's harder than ever for a retailer to stay in business.

To make it in the modern retail market, "good enough" will no longer suffice.

The core components of Unified Commerce can transform a company struggling to stay competitive into a successful and resilient brand. But Unified Commerce *in the hands of the right retailer* can go even further: the retailers that channel the powers of Unified Commerce into innovation have the potential to become a customer favorite and market leader.

The left side of the chart below will help you understand what it takes to survive in the retail market today. But on the right side, you'll see the qualities required for organizational excellence. Unified Commerce will help you either way. But do you want to be good or *great?*

The differences between market survival and success

Typical Retailers	World-Class Retailers
‣ Serve their customers	‣ Inspire their customers
‣ Automate processes	‣ Optimize processes
‣ React to challenges	‣ Proactively minimize risks
‣ Employ staff to operate and maintain their IT in-house	‣ Leverage retail experts to host, deliver and update their IT off-site
‣ Focus on the mechanics of running their business	‣ Are free to focus on strategies for growing their business

Reveal opportunities for innovation with these key questions

‣ **What does your organization currently want to achieve with Unified Commerce?**

‣ **Which processes and microservices are required to make those goals happen?**

‣ **How can these processes and microservices be used to achieve different things?**

‣ **What would you like to accomplish but currently lack the technology to achieve?**

‣ **What models or services do you see in other industries or tiers that may work for you?** Curbside Pickup came from restaurants. Pop-up shops came from financially-strapped independent fashion retailers during the Great Recession.

‣ **How can you ensure your Store Operations, Marketing and IT teams work together to create more engaging, attractive and relevant customer experiences?**

How to select a vendor aligned with your innovation goals

Not all Unified Commerce vendors will work for you. Some diminish the role of the store. Some have yet to solve for ironclad offline resiliency in the store. Some only offer limited capabilities, fail to account for certain channels over others or lag behind on microservices. If you want your organization to reach new heights, working with the right Unified Commerce vendor is one of the most important decisions you'll make in the transition.

Here's how to select a vendor that will help you innovate, differentiate and succeed:

- **Create a roadmap that bridges your immediate needs with your innovation goals** over the next 12, 18 and 24 months. Which vendors have the capabilities to serve you now and are flexible enough to support you in the future?

- **Look for vendors that give you:**

  A. **Robust CRM capabilities** to personalize innovations — helping them stick — and market them to customers that may be receptive.

  B. **Access to your comprehensive, clean and real-time data** to help you make evidence-based decisions about what your customers may want.

- **Only consider vendors that respect the store.** Vendors that downplay the importance of the store and its vital role in Unified Commerce are out-of-step with the realities of the retail market. Putting all their focus on a newer channel is a sign of a fly-by-night vendor.

- **Vendors must be reliable, secure and offline resilient.** You should only render the services of a vendor that can promise reliability and resiliency. Otherwise, you risk losing revenue and counteracting any technology-driven innovation when systems go down.

- **Invest in a Unified Commerce solution with an immediately applicable use-case.** The lust for innovation can lead you down fruitless, speculative paths — Social Commerce-driven DTC was once thought to be the future. Stores are the truth.

- **Evaluate vendors for their partner ecosystems.** Select vendors that work with other innovative organizations. A payment processor that accepts cryptocurrencies and regional currencies, for example, signals a vendor that can help you innovate.

Make innovation easy and integral with Unified Commerce

Between internal silos, increasing demands and market complexity, meaningful innovation can be hard to achieve. Unified Commerce helps make innovation innate to your retail organization.

By working with departments across the enterprise, you can drive meaningful change through Unified Commerce — and help your organization lead the market despite dynamic conditions.

Visit the Aptos Unified Commerce Resource Center to learn more or book a demo now.

Conclusion:
Pitching your organization on Unified Commerce

How to pitch your key stakeholders on Unified Commerce

Ready to pitch your organization on Unified Commerce? These talking points and supporting statistics, culled from this entire guide, will help you make a compelling, persuasive argument.

- ‣ Omnichannel is only a piece of the equation. **An organization that doesn't have their technology infrastructure and cross-channel interactions aligned is only cohesive on its surface.** And it lacks the flexibility necessary to meet a wide range of customer demands or adapt to the highly dynamic, fragmented retail market — neither now or in the future.

- ‣ **Unified Commerce, where retailers merge their systems, products, interactions and data to simplify and elevate the entire experience, is the answer.** It helps meet demand, future-proofs the business and helps reach a new level of differentiation.

- ‣ With Unified Commerce, **CIOs are well positioned to take actions that will make a positive impact on the business and increase the retailer's stature in the market.** And at a much lower cost, in much less time and much more often.

‣ **The store is the linchpin to Unified Commerce, serving a large role in supporting every other channel, lifting the customer experience and expanding what's possible.** A new store associate strategy can help bring your store vision to life.

‣ **Modern Point of Sale (POS) is to technology as the store is to omnichannel.** It collects data in real time, shares it across the organization and helps serve customers. Pair it with an Order Management System (OMS), and you can exceed expectations.

‣ Unified Commerce **gives the marketing department the resources it needs to create and execute a unique value proposition that appeals to customers on a universal and personal level,** while collecting data for the benefit of the whole organization.

‣ Treating omnichannel as a network of aesthetically aligned but separate, siloed channels will overwhelm your customers. **Cross-channel transactions must be aligned, too, if you expect to survive.** Integrating microservices will make that possible.

‣ The CIO holds the power to transform the retail organization and place it at the forefront of the retail market. **Technology is the tool that brings together an organization's infrastructure, brand and omnichannel — and makes market growth simple.**

‣ At the heart of Unified Commerce is the ability to adapt and differentiate. Meaning **innovation is integral to the approach.** With real-time data and agile technology, retailers have the tools to innovate in a low-risk, data-rich and future-proof environment.

Key Statistics

Omnichannel customers shop **1.7X more than** single-channel shoppers.

Source: mckinsey.com

100% of retailers in the top quartile of revenue growth "cited omnichannel personalization as a top five priority, but only 15% of retailers have implemented it across all channels."

Source: mckinsey.com

Technology is projected to **double EBIT margin potential** within the store by 2030.

Source: mckinsey.com

Two-thirds of retail leaders believe omnichannel and the rise of digital commerce to be the most consequential trend today. But at the same time, only 35% of retailers consider how decisions about their stores impact omnichannel.

Source: mckinsey.com

In-store order fulfillment is forecasted to **grow by double-digit percentages** over each of the next several years.

Source: insiderintelligence.com

Research by Gartner predicts **eCommerce will no longer be a differentiator** by 2023.

Source: blogs.gartner.com

90% of retailers believe flexible store space is important to their store strategies.

Source: aptos.com

Retailers must adapt now: **>70 retailers have gone bankrupt** since the pandemic.

Source: statista.com

>90% of customers expect 2-3 day deliveries. 30% expect same day delivery.

Source: mckinsey.com

Clearly, there is a lot to consider when preparing your organization for the move to Unified Commerce. We wrote this guide to help you both see the steps you need to take and discover what's possible should you choose to align your organization with a Unified Commerce strategy.

Great technology will get you started. But a great partnership grounded in deep domain expertise will help you grow above your expectations — and competition.

Introducing Aptos

Aptos is the worldwide leader in Unified Commerce. Aptos has set the tone for retail technology with our winning approach: craft agile, resilient and retail-exclusive software that enables brands to keep pace with their customer's expectations and desires, no matter how complex or unpredictable the market might be.

Our suite of API-enabled Unified Commerce products — Aptos ONE, our flagship solution, plus Merchandising, Inventory, Sales Audit, Point of Sale, Order Management, Customer Relationship Management and more — unify

sales channels, infrastructure and inventory to help retailers adapt, differentiate and deliver a seamless retail experience.

And with our unique, universal approach, every microservice works seamlessly across every business process and sales channel for a true integrated experience. One of the many reasons why hundreds of the world's top retailers trust Aptos to connect customers and products across more than 125,000 stores and each of their channels around the world.

How Aptos helps retailers achieve Unified Commerce

It's only natural to feel as if the Unified Commerce transition will be a complicated and overwhelming process. Retailers need a partner who will carry the weight of the transition on their shoulders, guide them through every step with a steady hand and share best practices rooted in deep experience and countless implementations.

Our customers don't just choose to work with us because of our reliable, resilient and agile solutions. They work with Aptos because of our more than four decades of retail technology leadership: a vision for Unified Commerce guided by experience but not weighed down by it, and an eye for the future grounded in empathy, partnership and growth.

Aptos is here to support you throughout every trend and transformation in the retail market.

Ready to take the next steps towards Unified Commerce?

As the leader of the category, Aptos is uniquely capable to help you implement Unified Commerce seamlessly — to not just prepare your business, but position it for greatness. Our team will work with you to help you grow into a modern and differentiated organization at the forefront of the market.

Book your demo with Aptos to start your Unified Commerce journey today.

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aptos.com

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.