Fulfilling the Modern Retail Customer Experience

How to successfully connect customers to products in the current retail climate with Merchandising, Order Management and Point of Sale integration.

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The State of Customer Experience

Customer experience has always been the foundation for success in the retail market. But never before have retailers been tasked with building that foundation on such shaky ground.

The modern retail market has reached an unprecedented level of complexity. To stay competitive, retailers must create a holistic and distinct customer experience out of an infinite combination of customer preferences, sales channels, fulfilment methods and more.

And it will only get harder.

Customer journeys are more omnichannel and less predictable. The lines between online and offline brand interactions are blurring.

Shoppers expect retailers to connect them to products they desire with the degree of speed, flexibility and choice they demand. But every customer journey is unique. And every trend and changing behaviour adds another layer of complexity and expectation. Today, every shopper defines their own conditions, and it is the role of the retailer to meet those conditions to earn every sale.

The risks couldn't be higher in the omnichannel retail age. Fall short — a distinct possibility when there's more and more variables between customers and products — and you risk disappointing and disengaging your shoppers. To make matters worse every shortcoming signals a misaligned enterprise, likely flying blind to the market and falling behind competition.

But if you can satisfy shoppers at scale, you may be rewarded with market growth, stronger customer retention and a magnetic, differentiated brand.

Even better? The steps you must take to elevate your customer experience will cascade benefits across your enterprise: operations become more seamless and efficient, customer journeys become easier to execute and your organisation becomes more agile and future-proof.

In other words, the path to exceptional customer experience is also the path to retail excellence. Where customer desires, inventory availability and operations all align into flawless execution. And where giving customers what they want, when they want it and how they want it fulfilled isn't just efficient and cost effective. It enriches the overall enterprise, too.

The only way for retailers to reach this state is to connect customers to products with a set of solutions tailored to work together: a modern Merchandising, Order Management (OMS) and Point of Sale (POS) stack.

Here's how each solution supports customer experience at an individual and integrated level.

Merchandising

Shoppers don't think about the supply chain. They aren't concerned about channels.

What do they care about? Whether or not you can sell them the products they want, when they want and without friction. Aware or otherwise, shoppers expect your inventory to move with the flexibility to match their journey, regardless of whichever of the endless ways it may take shape.

Retailers must meet demand wherever it comes from, on each shopper's terms, seamlessly.

Easier said than done for enterprises still running on legacy technology, relying on manual processes or reluctant to take the next steps towards Unified Commerce. Siloed operations and traditional merchandising methods are out of date for the dynamic modern market.

Retailers must regain control over their inventory, fast.

The timing couldn't be more critical. Customer behaviours are changing at an accelerating pace. Expectations are higher. Execution is harder.

In order to meet modern shopper expectations reliably across the enterprise, it requires incredibly tight coordination on the retailer's part from the moment stock arrives to the moment the product is purchased and delivered. It requires real-time visibility.

Merchandising gives clarity

Merchandising is the eyes and ears of the retailer's customer experience engine. It aggregates data from every sales channel and transaction in real time, sharing it with stakeholders across the enterprise to make the best possible decisions and deliver the best possible outcomes.

Visibility isn't the only benefit, however. Real-time data also enables retailers to execute perpetual inventory management. Item, vendor and cost management becomes more granular, allowing retailers to realise greater profit potential from every SKU. Improved analytics helps merchandisers make better decisions for purchasing and assortment planning.

This also helps retailers meet dynamic demand. With up-to-the-moment insights on shopper behaviour and preferences by customer segment and store, retailers can adapt their allocation and replenishment strategies accordingly, without interrupting operations. The right Merchandising solution can maximise process efficiency and delight customers at the same time.

Enhanced inventory management

Greater inventory control allows retailers to carry lower inventory levels without the fear of stock imbalances and out-of-stock situations. Better inventory management can also lead to a lower risk of markdowns, as well.

All of this becomes possible when paired with the right OMS and POS solutions. Modern Merchandising solutions allow you to set automated and adaptable user-defined algorithms. By collecting transaction data and feeding it into these algorithms, POS helps retailers adapt to the demands of the market immediately and automatically.

In turn, Merchandising is essential to meeting shopper's growing order fulfilment preferences — and doing so in a manner that is more efficient and profitable for the enterprise. Here's how.

Order Management

If Merchandising is the eyes and ears of the customer experience engine, OMS is the brain.

Order fulfilment has become much more complex in the last several years. Omnichannel fulfilment methods including Click-and-Collect and Buy-Online-Ship-to-Store (BOSS) — even Buy-Online-Return-in-Store (BORIS) — are increasingly common. New methods continue to seep into shoppers' preferences. All while delivery expectations become shorter and shorter.

Retailers are recognising the growing demand and what it means for customer experience: **60% of retailers** list reduced friction between digital sales and store fulfilment as their top priority.

Meeting shoppers' order fulfilment expectations is table stakes for the modern retail market. But embracing up-and-coming methods can give retailers a competitive advantage. For example, we've seen as much as a **90% increase in omnichannel revenue potential** when our clients offer ship-from-store fulfilment, whether the shopper bought online or added to their order at POS.

Without a modern OMS solution, connecting customers to products in a way that fosters market growth and customer retention is virtually impossible. Expectations are the highest they've ever been, and appear to be rising even higher. Retailers that fail to adapt to these heightened expectations in an efficient and cost-effective manner will be left behind.

Merchandising streamlines order management

With the real-time inventory insights provided by the modern Merchandising solution, stakeholders can fulfil orders in the fastest and most profitable way possible. A retailer can have access to data in their OMS to, say, ship an item from a local store versus a distribution centre to shorten delivery times and shipping costs — even increase profit on low-margin items.

How? With integrated Merchandising and OMS, retailers have the capability to optimise efficiency from the front office by setting new rules and best practices by the item. Retailers can also adapt these rules for temporary conditions like holidays and promotions.

OMS returns the favour

OMS helps reduce the need for safety stock. This is because the right OMS sources inventory by the best and most readily available option, Merchandising is free to reallocate much more safety stock to sell.

Shoppers now expect the same seamlessness between channels as they do within a channel. Merchandising paired with OMS makes multi-store interactions like store-to-store transfer, ship-from-store fulfilment or pickup-at-another store possible and pleasant for the shopper.

Merchandising teams are more capable of working with Store Operations teams to adjust store layouts based on more precise customer demand and order fulfilment data. Planograms and assortment plans become more flexible and adaptable to changing trends and behaviours. Merchandisers can optimise stores for the ideal balance of sales and order fulfilment.

OMS and POS: the perfect pair

OMS and POS solutions are powerful in their own right. But they work even better together.

Many of the challenges that come with the rise of omnichannel retail — and ambitions of the retailer interested in Unified Commerce — can be solved with the pairing of OMS and POS:

- ‣ Associates can execute in-store fulfilment for omnichannel orders faster and easier, with worklists, communications and alerts integrated into their POS

- ‣ Mixed cart orders, including add-ons and upsells, are made possible - all within one transaction

- ‣ Store associates can order products from other stores on behalf of shoppers

- ‣ Inventory visibility reduces friction for Return-Online-Pickup-in-Store (ROPIS) orders

All managed straight from the retailer's POS, no new devices or unfamiliar UX required.

Point of Sale

POS connects customers to products in the most visible and visceral way for the shopper.

Almost every inventory and fulfilment function or benefit is brought to life through POS.

It gives shoppers what they want. With integrated inventory, POS enables every store to always be in stock, whether it's a matter of endless aisle, store transfer, or any other option. Shoppers can gain "closest store" inventory visibility when they visit your website.

Associates elevate experiences

Store associates can leverage this real-time inventory data straight from their POS device. With access to data on the closest location of the shopper's desired product, plus the tools to deliver it to them in the best way possible, associates become empowered to meet or exceed shopper expectations, while improving revenue potential for the enterprise.

POS delivers all of the information the associate needs within the store and opens up the options they can give their customers. It connects associates between channels and stores, making it easier to communicate order fulfilment instructions and build carts across channels.

Has your retail organisation outgrown your POS?

Start assessment

Inventory and POS power each other

The relationship between inventory data and POS is symbiotic. Inventory enriches POS to help retailers convert every opportunity and fulfil every promise at the end of the shopper's journey. POS collects data at the time of transaction to help inventory move with more agility and flexibility. Every selling and supply channel is managed with better, more immediate insight.

By eliminating the silos between stores and turning transaction data from an end-of-day task into an integral piece of the enterprise, POS helps retailers get tighter control over their inventory, reducing errors, fulfilment costs and delivery times.

International operations made effortless

Communication is fundamental to the modern retail enterprise. Especially for the retailers who operate in multiple countries or employ associates who speak different languages. That's why market-leading POS solutions offer comprehensive translation and internationalisation features in addition to region-specific compliance. To make every element of shopper support seamless.

In short, POS communicates critical information at every touch point between customers and products, whether it's an individual shopper's order or an aggregate of inventory data.

Connect customers and products with ease with Aptos

To fulfil the broad, deep and demanding expectations of the modern shopper — and seamlessly connect customers to products in this complex retail environment — retailers must implement a unified Merchandising, OMS and POS set of solutions.

Enter Aptos.

Our best-of-breed Merchandising, OMS and POS solutions give you the flexibility and options to meet the wide range of modern shopper expectations — and execute them flawlessly, efficiently and cost-effectively.

Aptos is the worldwide leader in Unified Commerce. For more than 40 years, 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 — including Merchandising, Point of Sale, Order Management and more — unify sales channels, infrastructure and inventory to help retailers adapt, differentiate and deliver a seamless retail 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.

Book a demo today!
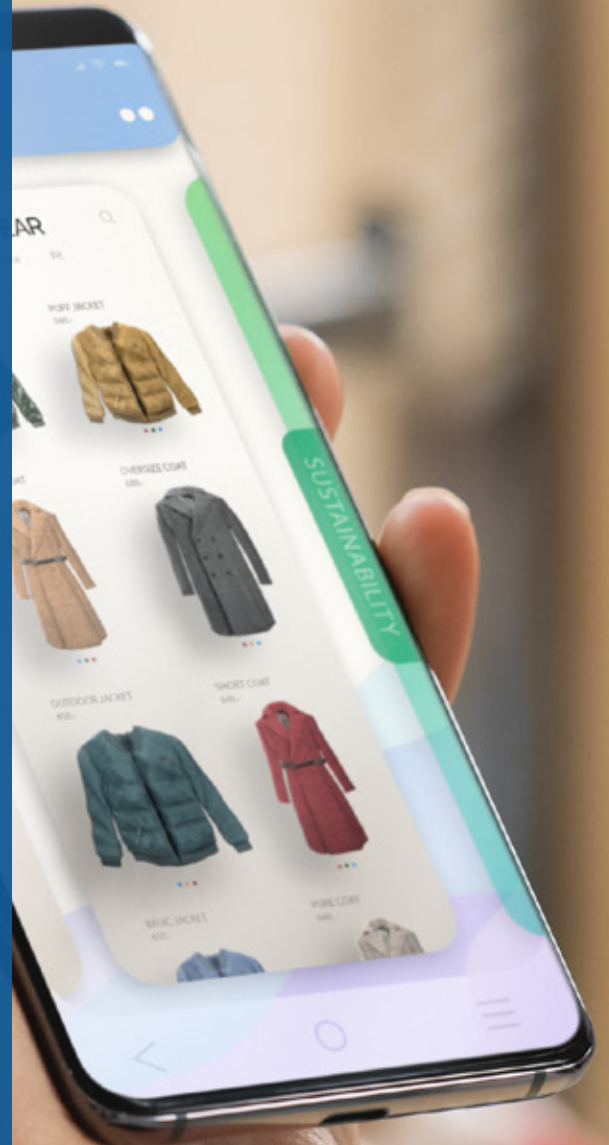
About Aptos

Aptos is the worldwide leader in unified commerce. Since day one, Aptos has set the tone for retail technology with their winning formula: align ahead-of-the-curve thought leaders, craft agile, resilient and retail-exclusive technology that turns key functions into competitive advantages and embrace change.

Their knack for relevant and timely innovation, grounded in more than 40 years of solid foundation, gives retailers precisely what they need to stay on the right side of the market's radical transformation. And why hundreds of the world's top retail brands trust Aptos to bring their strategies to life.

Learn more at **aptos.com**

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