

BUSINESS BRIEF

Retail
Unified Commerce



UNDERSTANDING THE CUSTOMER'S PERSPECTIVE

Intel®-powered solutions for unified commerce foster an orchestrated customer journey

Mapping a Path to Unified Commerce

Achieving optimal customer engagement across channels is an ongoing effort. Two decades ago, omnichannel retailing emerged as a way to enable customers along the many paths that lead to purchase, from a store's website to its brick-and-mortar locations. Today, retailers are weaving those paths into a cohesive journey—a strategy known as unified commerce.

Unified commerce is driven by the customer's perspective. After all, customers shop brands, not channels. To successfully transition from omnichannel to unified commerce, retailers must evaluate their capabilities, assess customer touch points, and create a plan for moving forward.

Evaluating the Retail Environment

The full potential of omnichannel has been elusive. In practice, channels are usually developed in siloes. A Retail Info Systems (RIS) News study described this approach as expensive to manage, difficult to maintain, and untrustworthy when it comes to data integrity.¹

All too often, the typical cross-channel experience can cause frustration and disappointment. For example, a customer shopping for a popular toy during the holiday season may check a store's website and see an inventory of five. However, upon reaching the shelf, the toy appears to be out of stock. When the customer checks her mobile app, it shows a quantity of ten. She asks for help from a store associate, whose sales assist app shows two. Every time a customer's shopping journey is complicated, it creates friction.

Optimizing Touch Points

Gone are the days when customers just walked into the store. Today's retailers must engage shoppers at every point in their journey. Some customers experience an average of 3.7 touch points per purchase, according to a report by the University of Arizona and Demandware.² They expect fluid, highly relevant interactions across physical and digital destinations.

The challenge is that these channels often contain inaccurate information. However, revenue and margins can be increased if each touch point is optimized. According to IDC, the most

profitable shoppers are those who shop all available channels, with an average spend of at least 30 percent more than single-channel shoppers.³

Starting with the Right Perspective

While omnichannel systems are traditionally designed from an inside-out perspective, unified commerce starts by looking outside in. It takes into account the entire shopper journey, at every touch point.

Unified commerce solves the omnichannel challenge not by connecting disparate systems, but by building from foundational capabilities that enable one truth across channels. As a result, information about quantity, location, and price are consistent; so are product descriptions, images, and stories.

Charting Platforms and Processes

The first step toward unified commerce is assessing the key platforms and processes your customers use—and evaluating them from the customer's perspective.

A platform is a touch point that can support a number of processes. For example, a mobile app is a platform that can support wish lists, click and collect, and item locate functions. These processes can also be performed on other platforms, such as your website or in-store kiosks. In addition, there are a number of devices, data sources, and interfaces that support touch points.

Five Foundational Blocks

The path toward unified commerce requires both integration and innovation. Integration may involve middleware or custom coding to enable a consistent experience across disparate channels. Other areas require more creative solutions. Here are the five foundational blocks to unified commerce:

1. Shopper knowledge

Analytics engines fueled with a holistic view of the customer deliver better insights and thus enable marketing to more easily attract and engage customers. Solutions should be able to consolidate dynamic sources of customer data. From the customer's perspective, messaging will appear more helpful and in tune with their needs.

2. Consolidated catalog

A strong content management system populates catalogs across a spectrum of digital devices with content from suppliers and product managers. Industry analysts distinguish between digital asset management (DAM) and on-demand DAM. These systems orchestrate content such as product images, packaging design, drawings, brand assets, and marketing messages.

3. Real-time inventory

Inventory management systems represent live inventory in all channels. However, the cost to capture all store floor inventory, typically via RFID, may be prohibitive to many retailers, with the exception of apparel.

4. Fulfillment and logistics

While order management systems are foundational, a distributed order management solution enables cross-channel order and shipment from the supply chain edge (such as dark stores), as well as payment and returns across tiers in the supply network.

5. Pricing and promotions

While retailers have many choices in product information management systems, each product offers its own distinct set of capabilities.

Platforms	Processes	Devices	Data Sources	User Interface Elements
Website Customer mobile apps Store associate mobile apps (mPOS, sales-assist) Gift registry Point-of-sale Call center Self-service lockers	Item locate Click and collect Price check Wish list Loyalty points or rewards Payment Receipt Returns Product and price alerts Product or brand story	Smartphone Kiosk Associate tablet Digital signage Point-of-sale terminal	Transaction log Inventory software Supply chain software CRM Business intelligence/ analytics software Merchandising software E-commerce software Sales assist app Clienteling app	Colors Product images Artwork Logos Menu structure Copy Placement Icons

Consider how the following processes are experienced from a customer's perspective.

- **Catalogs:** Are content, pricing, and design for print and online versions consistent?
- **Configuration:** Can the customer save dimensions and color choices for an item online, and then modify them on a mobile app?
- **Receipt:** Can the customer provide proof of purchase for any item purchased in any channel using credentials such as a membership, credit card, or phone number? Is this capability enabled on POS, mPOS, and mobile platforms?
- **Click and collect:** Can the customer purchase online from any channel and get the item at the store, by home delivery, or at an off-site locker?
- **Self-service lockers:** Does the customer have to wait in a service queue, or can she pick up items directly at a nearby or in-store locker?
- **Endless aisle (shelf extension):** If an item is not in the store, can the associate or customer easily locate, order, and schedule delivery for the product to the preferred destination?
- **Item locate:** Can the customer use a mobile app or other in-store platform to find the way to a product in the store? Does it show items available in every store and channel, as well as deeper in the supply chain?
- **Shopping cart:** Does an item placed in an online cart seamlessly appear in the customer's mobile app and in-store platforms, such as POS, sales assist, and clienteling applications?
- **Gift registry:** Can family and friends purchase items based on a complex wish list, whether online, via mobile app, or in the store?



Get Started with Unified Commerce

To learn more about how Intel can support your journey from omnichannel to unified commerce, contact your Intel representative or any of our retail solution partners. Learn more about Intel solutions for retail at intel.com/retail.

1. "2016 Store Systems Study: Brave New World of Unified Commerce." RIS News, January 2016, risnews.edgl.com/retail-research.

2. "Who Are Digital Divas and Why Should Retailers Care?" University of Arizona and Demandware, 2013, http://media.corporate-ir.net/media_files/IROL/24/247632/Digital_Divas.pdf.

3. "IDC FutureScape: Worldwide Retail Agenda 2015 Predictions." IDC web conference, 2014.

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