

READY. SET. RETAIL.

How new technology and the cloud can help save retail



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INTRODUCTION

Covid-19 drove the retail industry into a state of flux...big time. Large retailers that once anchored the industry and local malls have since announced store closures, layoffs, mergers, and bankruptcies.



Previous estimates showed that total global retail sales were to reach \$26.29 trillion in 2019 and \$27.73 trillion by 2020. However, due to the COVID-19 pandemic projections drastically changed. Mid-2020, worldwide retail sales were predicted to hit \$23.4 trillion by the end of the year. (Business Insider, 2020)¹ We know – none of this is news.

We also know that retail industry insiders throw out topics like clienteling, true unified commerce, and providing consistent experiences as keys to winning over customers. But technological limitations make it hard to execute these strategies in the real world. Legacy technology can't keep up with changes in consumer behavior and new shopping channels, which has led to many retailers scrambling to implement solutions that ultimately fall short of expectations.

Retail is an art and a science, and we don't have a silver bullet to slay all your retail woes. However, we can offer a silver-plated bullet in the form of technology that can get you closer to creating your ideal retail experience. Cloud-based business applications combined with good retail practices can help you optimize operational efficiency, increase revenue, and strengthen your brand. You can finally do what needs to be done to ensure your organization can withstand any disruptions the future may bring.

THE FUTURE OF CLIENTELING

Treating your best customers better

Clienteling is an old-school retail technique that boils down to treating your best customers better. This includes logging every conversation, visit, transaction, and more.

Today, with the help of cloud-based, interconnected business applications, retailers of all sizes can implement clienteling.

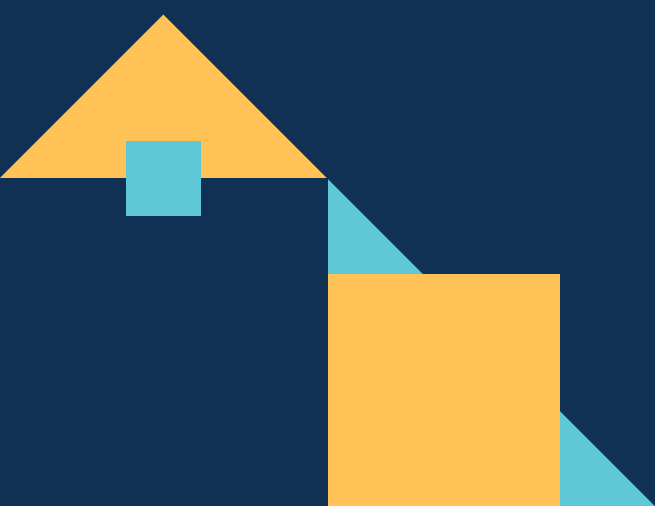
It pays when your associates can pull up wish lists and prior transactions, adding a personal layer to your customers' shopping experience.



CHALLENGE #1

Cultivate a strong brand and loyal customers to survive and thrive

A retailer's brand is a promise of quality, service, and value – inspiring good feelings and trust in a consumer. Keeping that promise is the ultimate success factor for a brand-based company.



DELIGHT CUSTOMERS

Customers' expectations are reflecting the increasingly blurred line between the digital and physical world. The ideal retail experience merges the choice and flexibility of online shopping with the timeliness, service, and personal acknowledgment of an in-store purchase.

The retail industry has transitioned to favor digital consumerism, even when consumers still access brick and mortar locations.

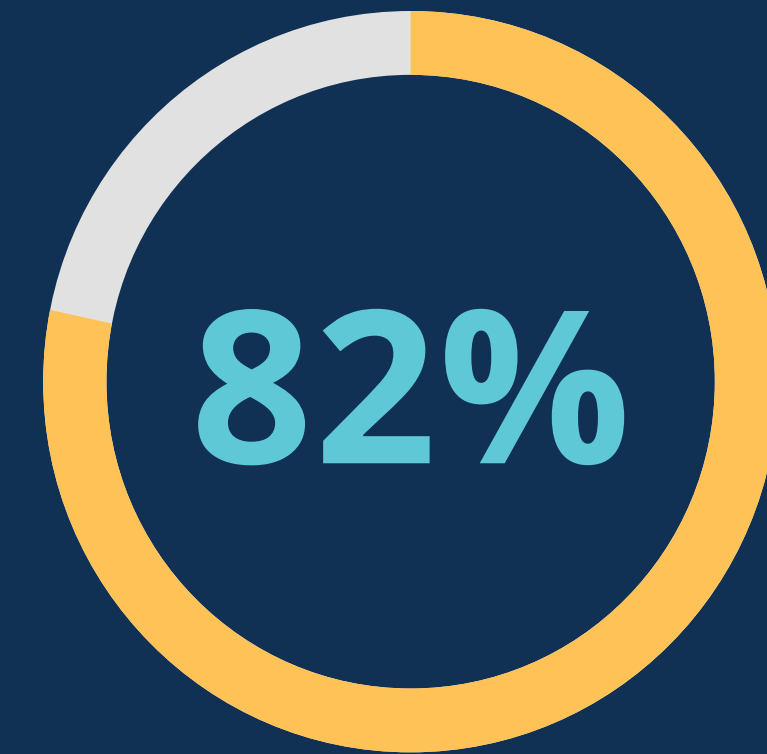
82 percent of smartphone users consult their phones on purchases they plan to make in-store² and, In the US, click-and-collect sales grew by 60.4 percent in 2020 compared to 2019. (eMarketer, 2020)³

Also, about half of US consumers prefer to start their holiday shopping journey through online search engines or online-only retailers. (Deloitte, 2021)⁴

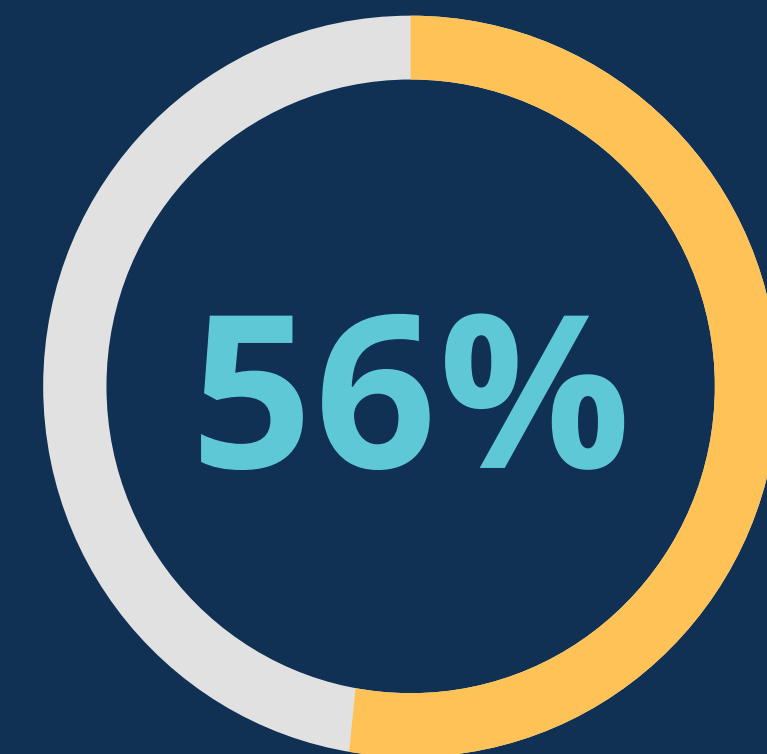
And since over half (56 percent) of US consumers prefer to shop in store than online⁵, it's worth making sure they can see what's available. The only way to do that is with a pretty sophisticated unified commerce strategy, and the technology to support it.

Ensuring that your systems work in concert* to provide a shopping experience that stays one step ahead of your customer's expectations pays off. In fact, if you can increase customer retention by just 5 percent, you could see an increase in profits of anywhere from 25 percent - 95 percent⁶.

*Interested in how this could all work? Check out our eBook devoted to digitally transforming your business!



of smartphone users consult their phones on purchases they plan to make in-store



of US consumers prefer to shop in store than online



SEE IT IN ACTION

MODERN POINT OF SALE

Your POS no longer means tethering your associates to the front of the store - it can be just as mobile as your customers. And when your POS is also connected to your ERP system, you can do some amazing things.

Implement a cloud-based POS and you can...

-
- Use rich clienteling capabilities to provide amazing in-store experiences for customers
 - Provide associates with customer information gathered from each touch point across channels
 - Equip managers and associates with accurate inventory and availability the moment they need it
 - Provide all stakeholders with real-time, self-service, mobile merchandising workspaces; delivered on familiar devices on the retail floor

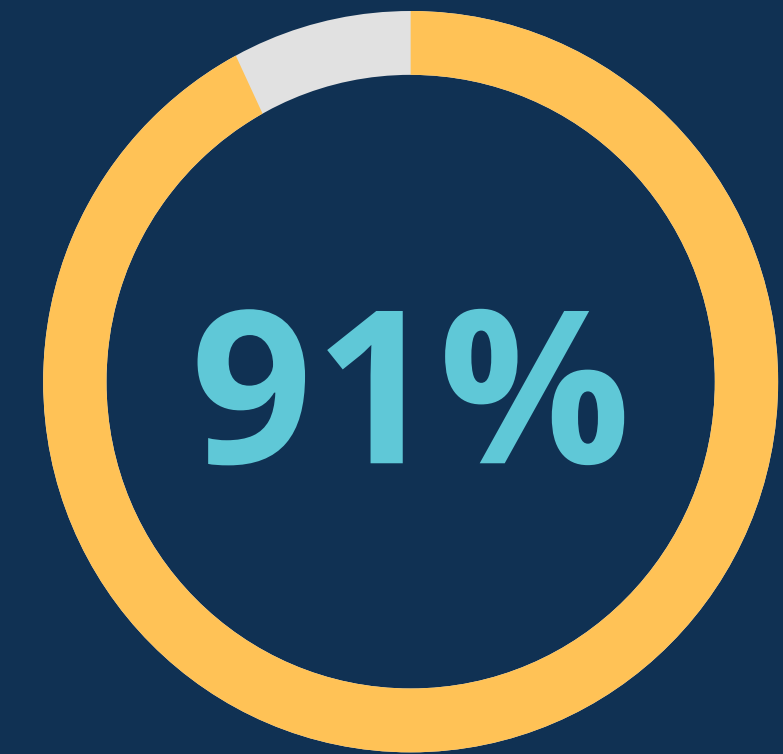
BUILD BRAND LOYALTY

With plenty of options on the market, the ultimate decision to buy often comes down to how consumers feel about a brand.

91 percent of consumers say they are more likely to shop brands that provide further shopping recommendations that are relevant to them⁷ and **80 percent of consumers are more likely to buy from a brand that provides personalized experiences.**⁸

A simple automated birthday email just doesn't cut it anymore.

This level of personalization requires a technological backbone that can track a customer's order history across channels and product lines. All the better if that personalization carries over into a physical retail location with beacons beaming timely and relevant offers or a POS system that enables associates to proactively approach customers.



of consumers are more likely to shop brands that provide relevant further shopping recommendations



of consumers are more likely to buy from a brand that provides personalized experiences



SEE IT IN ACTION

SUPERIOR CUSTOMER SERVICE

Delighted customers are much more likely to convert to loyal customers. Use these tips to roll out the red carpet...

-
- Equip service teams with knowledge-based tools that help turn them into subject matter experts
 - Empower customer service representatives with collaborative tools to facilitate knowledge sharing
 - Update customers on sales order status, delivery issues, service tickets and product details, all from one place

CHALLENGE #2

In it to win it — increasing your revenue in a brand-eat-brand world

While you need delighted, loyal customers, they aren't enough to keep the lights on. Remember, even "New Coke" had its fans. Part of your strategy for digital transformation has to be focused on increasing your organization's share of the market and consumer's wallets through new product lines, channels, and global markets, which all lead to an increase in revenue.

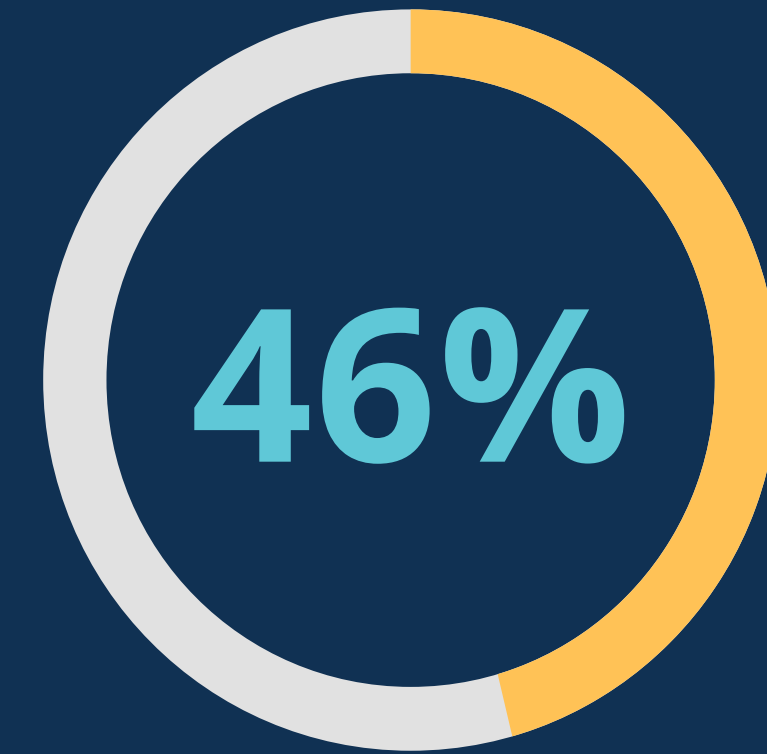


EXPAND: PRODUCT LINES

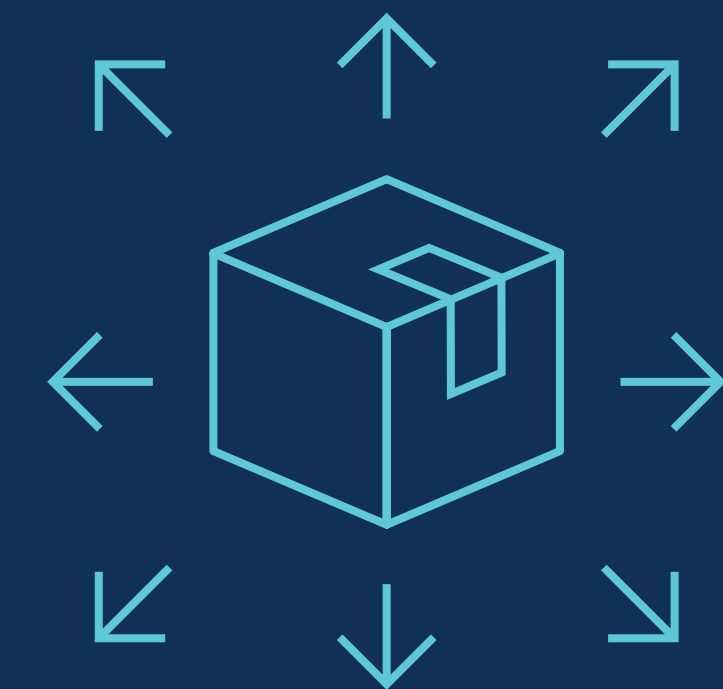
Since we're just getting to know each other, there's no way we would even begin to recommend whether expanding product lines makes sense for your business.

However, many retailers do see expanding product lines as a natural step to gaining new market share. This is especially true for businesses that both manufacture and sell their products, as they have more flexibility to produce exclusive merchandise that can create significant competitive advantage. According to a survey, in the US, **46 percent of consumers say they would pay more to purchase from brands they already know and can trust** (Salsify, 2022)⁹.

However, expansion has its risks. New product lines add complexity to the business and risk diluting the overall brand promise. You (and your systems) need to be able to handle multiple product lines with different attributes, large numbers of product variations, a wide range of product life cycles, and various product designs. Plus, the whole system needs to be able to turn on a dime to keep up with changing trends and customer expectations. Finally, you must be able to get an accurate picture of how each of the product lines are doing to know if the expansion is a success.



of consumers would pay more to purchase from brands they already know and trust



Many retailers see expanding product lines as a natural step to gaining new market share



SEE IT IN ACTION

EFFECTIVE MERCHANDISE MANAGEMENT

If you decide to expand your product lines, it's essential that your business applications can intelligently manage merchandise.

A lot goes into a successful product line expansion, but keep these tips in mind...

- Optimize for profitability with centralized pricing and offer management across all channels
- Intelligently manage omni-channel inventory allocation in scarce goods settings
- Set business rules to determine which channels 'win' in the event of a scarce goods situation
- Control key merchandising areas, such as managing the placement of goods in the store or arranging assortments, from one place

EXPAND: CHANNELS

The term “omni-channel retailing” has become redundant, because operating seamlessly across channels is now the optimal way to do business. Lines are already blurring between channels and probably not in the ways you would expect. One major area where this is apparent is personalization.

According to a survey of 1000 adults by Epsilon and GBH Insights, 80 percent of respondents want personalization from retailers¹⁰. Results indicated that when personalization was included in companies that have personal interaction with a large portion of customers, the results are usually a 1 to 2 percent increase in total sales for grocery stores and an even higher increase for retailers.¹¹

WHY PERSONALIZE?

Give the people what they want

There is an overwhelming appetite for personalization. While many consumers are still buying in brick-and-mortar settings, they are approaching transactions with an online mentality — with the expectations of speed of service and awareness of buying history that goes along with that. Advances in technology make it easier than ever to provide the personalization your customers crave. Bottom line? Give the people what they want, and you may just see a change in your, well, bottom line!

EXPAND: GLOBAL MARKETS

With growing economies and eager consumers abroad, global expansion is critical to long term growth. Pulling this off successfully is notoriously difficult. Retailers require a flexible organizational structure that can support specific localizations (like tax, legal, and financial regulations) and can function under diverse business models.

Also, if you have chosen to expand product lines or channels, that may also involve operating at a global scale. While these growth initiatives are key to the organization's longevity, they also greatly increase operational complexity, and the potential for future business continuity and supply chain issues. Ideally, you would want to work with a single solution for all your global needs to decrease friction in the business, allowing you a holistic view of your entire business, so you can make informed decisions when and where you need them. After all, you've got plenty of other things to worry about besides global systems integrations!



“You would want to work with a single solution for all your global needs to decrease friction in the business, allowing you a holistic view of your entire business, so you can make informed decisions when and where you need them.”



SEE IT IN ACTION

UNIFIED COMMERCE EXPERIENCE

There's no denying that solving the omni-channel retail experience is hard. In fact, it's really, really hard. But it is doable! We know because we've helped other retailers implement it successfully.

Here's a few things to think about if you want to replicate their success...

-
- Proactively engage customers with personalized, omni-channel campaigns to build brand preference
 - Enable new business processes such as buy online/pickup in-store for increased customer satisfaction
 - Increase customer happiness and spend with faster support and transaction times
 - Provide superior customer service by unifying data from call centers, catalogs, wholesale, eCommerce, retail, social, and mobile channels

A close-up, high-angle shot of a person with a beard and glasses, wearing a dark sweater, focused on cutting a piece of dark fabric with large scissors. The person's hands are visible, and the scissors are positioned over the fabric. The background is dark and out of focus.

CHALLENGE #3

Become a lean, mean retail machine

We don't mean "lean" in the manufacturing sense and, as we've already discussed it isn't in anyone's best interests to be mean. However, it is in your best interests to consider your retail operations as you plan your organization's digital transformation.

A decorative graphic in the bottom-left corner consisting of several overlapping geometric shapes in yellow and teal, resembling a stylized staircase or a modern logo element.

SPEED, FLEXIBILITY, AND VISIBILITY

Transforming and evolving your business requires embracing processes and solutions that support change. Cloud-based applications use an efficient and intelligent infrastructure that can lead to improved productivity, faster fulfillment, timely delivery of goods, and more effective selling.

Of course, as business strategies change, organizations must be able to adapt just as quickly. Visibility, control, speed, and flexibility become critical to spotting trends with products and customers. Above all else, every employee needs to be able to make smarter decisions faster. With real-time, accurate insights, they can quickly identify opportunities to support your business' customer-centric mission.



“Cloud-based applications use an efficient and intelligent infrastructure that can lead to improved productivity, faster fulfillment, timely delivery of goods, and more effective selling.”



SEE IT IN ACTION

INTELLIGENT OPERATIONS

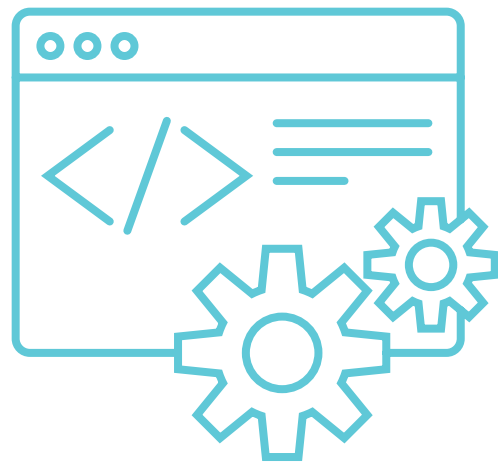
The key to intelligent operations is greater visibility at every level of the workforce, thanks to embedded BI dashboards.

Once you can get a good look at what's going on, you may be able to...

-
- Drive smarter, faster decision-making with visual insights about your financials, supply chain, and customers
 - Spot issues and take corrective action more easily and quickly with a single platform for all transactions, operations, and financials
 - Embed intelligence in the day-to-day workflow to enable faster decision making—leading to improved customer experience and service
 - Increase organizational agility and capitalize on opportunities more quickly with visual analytics built around key planning scenarios and workflows

COMPLEXITY REQUIRES THE CLOUD

The most effective way to deliver digital transformation with new and improved customer experiences is to employ a single set of centralized resources that support all channels. This requires:



ON THE BACK END

- Consistent data model and business rules
- Enhanced category and product management
- Global and local management of products and attributes



IN THE STORE

- Access to accurate, real-time inventory data
- Flexible shopping options like curbside pickup or buy online, pick up in store (BOPIS)
- Access to customer insights, generated by unified backend and customer data

The only way for retailers to stay this nimble is to run that platform in the cloud, using an infrastructure-as-a-service and software-as-a-service model. Recent innovations in cloud ERP, CRM, and BI are helping retailers to become more agile, efficient, and smarter with open, reliable, scalable, and secure platforms.



SEE IT IN ACTION

FLEXIBLE CLOUD INFRASTRUCTURE

There's really no question - business applications in the cloud are the plumbing behind every great idea your team comes up with.

With a secure, flexible foundation you can...

-
- Keep pace with the increased rate of change using simple, modular, elastic and extensible infrastructure
 - Decrease cost of doing business by eliminating infrastructure costs and by staying current on the latest features without having to implement a new solution
 - Build and expand on an open, modern platform that can scale as needed
 - Mobilize your entire workforce to do business on any platform, anytime, anywhere

WELCOME TO THE FUTURE WITH MICROSOFT DYNAMICS 365

Dynamics 365 is the future of business applications —a solution that finally allows retailers to deliver on its promise to customers

How's that for problem solving?



WANT TO KNOW MORE?

You can learn more about how Dynamics 365 can help you solve your toughest retail challenges, today, tomorrow and ten years from now here.

Just remember, we started out saying that this technology is a silver-plated bullet. It's up to your organization to challenge the culture of how it's "always been done" so you can transform to the way things should be. If you're worried about making that shift, make sure you pick a partner with retail implementation experience you can rely on to determine best practices and help train the rest of your team.

ABOUT SUNRISE TECHNOLOGIES

Sunrise is the premier provider of Microsoft Dynamics 365 and Power BI for apparel, footwear, home furnishings, and consumer products retailers. We deliver game changing, omni-channel and Tier 1 retail solutions without all the cost and complexity. Recognized by Microsoft as both the Retail and Distribution Partner of the Year, we understand that retail is a complex, multi-faceted business that relies on a strong supply chain and an innovative, customized shopping experience.

WANT TO KNOW MORE?

From wholesale to retail, Sunrise offers a one-stop, end-to-end industry solution to deploy, enhance, and support Dynamics 365 for a lifetime. Plus, we help organizations hit the ground running on their implementations with industry best practices, preset configurations, and a proven project methodology.

SOURCES

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- ³ eMarketer- More than Half of Internet Users Have Purchased Groceries Online
- ⁴ Deloitte- 2022 Retail Industry Outlook

- ⁵ The Marist Poll sponsored by NPR 2018

⁶ ****

- ^{7,8} 50 Stats Showing The Power Of Personalization (forbes.com)

- ⁹ Consumer Research 2022: How to Meet the Demands of Omnichannel Shoppers (salsify.com)

- ¹⁰ US.Epsilon.com

- ¹¹ Personalized experience for customers: Driving differentiation in retail | McKinsey.com



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