



ANALYST VIEWPOINT

RETAIL TRANSFORMATION

Begins with a Unified Commerce Platform

Design and deliver experiences for the modern consumer buying journey

CONSUMERS MAKE THE RULES

The modern consumer's buying journey is no longer linear or isolated to one channel. It now hinges on a continuum of interactions that could result in a sale in any form and at any stage.

The past two years have accelerated the adoption of online shopping and fulfillment methods like [buy online](#), [pickup in-store \(BOPIS\)](#), [curbside pickup](#), home delivery, and more. Initially offered as a means of survival for retailers, those options are now permanent features, making shopper expectations higher than ever.

Knowing why customers shop with your brand or at your store is imperative. Unfortunately, a wide gap remains between the reasons why brands believe consumers shop with them and their actual reasons. During an industry conference, Forrester Vice President Brendan Witcher shared the following anecdote to underscore this disconnect.

Executives at Brand A were asked why their customers buy from their brand. They stated with confidence, "Data shows that customers love us for our unique products, our focus on quality, and our alignment with their values." When Brand A's best customers were asked the same question, they shared, **"I love going into their store — even though they have a website, if I didn't live next to Brand A's store, I would likely stop shopping with them."**

Today's consumers want to dictate how, when, and where they interact, purchase, and receive their orders.

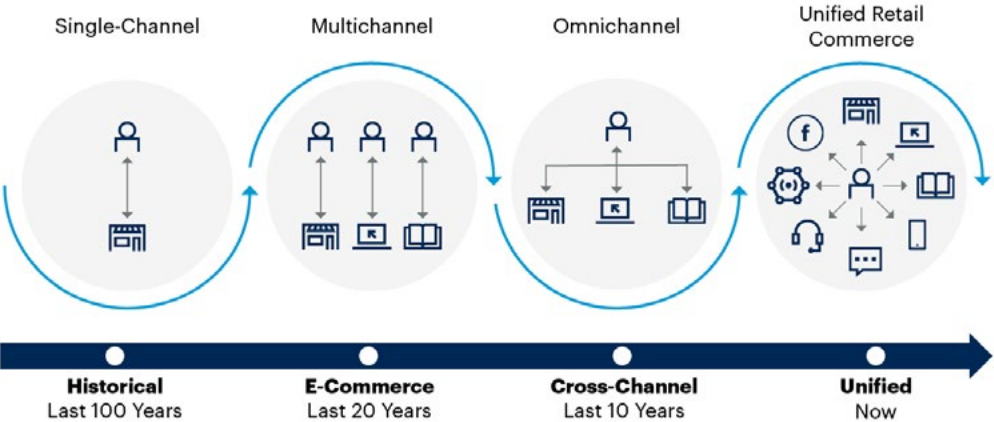


The evolution of unified commerce

Gartner projects that, by 2023, ecommerce will cease being a differentiator in retail.¹ To keep pace with new and emerging customer expectations, retailers must adopt a modern, unified commerce strategy that provides consumers with a continuous experience as they browse, transact, acquire, and consume, regardless of touchpoint.

Unified commerce is often mistaken as being just about the front-end customer experience. Instead, unified commerce has evolved from an older, siloed, multichannel approach to a modern, loosely connected omnichannel engagement model.²

The Evolution of Modern Retail



Source: Gartner
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Gartner.

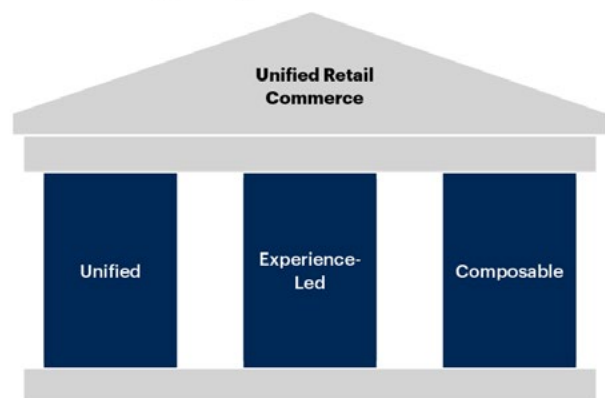


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Three pillars of unified commerce

True unified commerce should be executed with a single, centralized platform that connects all applications, channels, and touchpoints in real time.³ According to Gartner, three core pillars support this approach.

The Three Core Pillars Supporting Unified Retail Commerce



Source: Gartner
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Gartner

Unified commerce connects all applications, channels, and touchpoints in real time.





UNIFIED

The days of a single warehouse filled with isolated store inventory and specially designated goods dedicated to website fulfillment are in the past. Among US online adults,⁴ 78% say it's important to see in-store availability while shopping online. Additionally, 83% say it's important for the retailer to provide an estimated delivery date and time.

To offer this level of inventory visibility and unified commerce capabilities, it's not enough for retailers to simply depend on integrating different architectures, different interfaces, different version release schedules, and performance capabilities of the multitude of enterprise commerce applications. [Retail leaders must unify their order management, customer engagement, point of sale, and store inventory and fulfillment applications.](#)



EXPERIENCE-LED

According to Forrester,⁵ point-of-service (POS) solutions allow brands to keep up with consumer expectations for exceptional experiences in stores. Modern POS solutions empower store associates to process orders, apply promotions, and capture extensive customer insights. They tap into data from other systems to enable associates to make personalized recommendations and provide intuitive customer service (e.g., returns processing) options for their shoppers. Once again, these options can only come from unified commerce.

That's because unified commerce delivers digital dexterity to frontline workers. It gives store associates, websites, and call-center representatives [the same, complete view of customer preferences and history](#), ensuring that every individual feels supported, trusted, and "seen" by the retailer.



COMPOSABLE

Technology platforms built on the principles of composability can assemble software components or "microservices" at will to rapidly redefine and evolve enterprise applications. With a microservices architecture, modifications happen on the fly, with no downtime. When built to be cloud native, it takes full advantage of the scale, resilience, agility, and security that cloud computing provides.

Retailers today must [place a high value on the agility in application architecture](#) that meets the challenges of accelerating business change and overcoming problems caused by disruptions like pandemics or economic downturns.⁶

STORES ARE THE LYNCHPIN OF UNIFIED COMMERCE

A truly unified commerce strategy cannot deliver customer value unless built on robust, back-end processes and technology collaboration. The prominent characteristic of unified retail commerce is full integration between all digital and physical touchpoints, [with the store as a strong execution hub that can support future immersive experiences.](#)⁷

Forrester's survey shows that, on a weekly basis, consumers are more likely to research products or services online (27%) than in a store (18%), and yet they are more likely to purchase in a store (48%) than online (23%).⁸

And half of those surveyed still prefer to make returns to stores. Importantly, consumers do not view these actions as varied experiences but rather a single experience they have with a retailer.

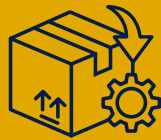
The technology investments in the store reinforce the consumer survey. The 2022 Gartner CIO and Technology Executive Survey indicated that nearly two-thirds of retailers expect to increase the level of investment in store technology this year, as compared to 2021.

48% of consumers are more likely to purchase in store than online



INVEST IN THE RIGHT TECHNOLOGY

Research indicates that delivering a seamless customer experience is directly driven by a unified commerce platform anchored by store point of sale (POS) on the front end and by order management systems on the back end.⁹ Retail leaders will need to take bold steps, investing a lot of time, patience, and resources in order to succeed in unified commerce execution.



EVALUATE
STORE
TECHNOLOGY

OPTIMIZE ORDER
ORCHESTRATION
& FULFILLMENT

EMPOWER
STORE
ASSOCIATES

PARTNER WITH
TECHNOLOGY
INNOVATORS

Industry experts and retail high-performers recommend taking the following actions:

- › **Evaluate the current store technology**, including POS and inventory fulfillment functionality, by comparing it with the need to deliver essential, unified commerce capabilities.
- › **Optimize order orchestration and fulfillment** by improving real-time inventory visibility and implementing or improving distributed order management.
- › **Empower store associates** with technology-enabled tools that deliver exceptional customer service with meaningful and deeper levels of information for higher engagement and conversion.
- › **Partner with technology innovators** with proven capabilities of delivering 100% cloud-native SaaS with a microservices architecture that guarantees continuous innovation, scalability, resiliency, and adaptiveness.





ADDITIONAL READING IN THE DIGITAL TRANSFORMATION JOURNEY

[2021 Gartner Market Guide for or Unified Commerce Platforms Anchored by Point of Sales \(POS\) for Tier 1 and Tier 2 Retailers](#)

Retail CIOs can use this research to understand the market dynamics and vendor landscape as part of their digital transformation toward unified retail commerce.

[2021 Forrester Report: The Future of The Digital Store](#)

This report outlines how retailers must use a 6E strategy — engage, emulate, expand, empower, execute, and enable — to build purpose-designed, physical locations that are structured to deliver meaningful improvements to customer experiences, achieve operational excellence, and drive specific business outcomes.

[2021 The Forrester Wave™: Order Management Systems](#)

This report evaluates seven order management systems providers across 38 criterion and helps digital business professionals select the right one for their needs.



NOTES/SOURCES

- 1 Gartner, Top Trends in Retail Digital Transformation and Innovation for 2022, March 2022, p.4.
- 2 Gartner, Quick Answer: What Is Unified Retail Commerce, and Why Does It Matter? May 2022, p.1
- 3 Gartner, Quick Answer: What Is Unified Retail Commerce, and Why Does It Matter? May 2022, p.6
- 4 Forrester, Consumer Technographics® US Retail Recontact Survey, 2020
- 5 Forrester, Now Tech: Point-Of-Service Solutions, Q4 2021, p. 2
- 6 Gartner, Strategic Architecture Roadmap for Composable Enterprise Applications, February 2021
- 7 Gartner, Market Guide for Unified Commerce Platforms Anchored by POS for Tier 1 and Tier 2 Retailers, August 2021, p.8
- 8 Forrester, Now Tech: Point-Of-Service Solutions, Q4 2021, p. 14
- 9 Gartner, Market Guide for Unified Commerce Platforms Anchored by POS for Tier 1 and Tier 2 Retailers, August 2021, p.8

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