Customer Commerce
5 Pillars to Unlimited Retail Growth

Build Your Business Around Your Customers, Not Channels

NETSUITE

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*Today more than ever, it's all about the **customer.** The expectations customers place on retailers are motivating retailers to deliver a best-in-class customer experience across channels. To achieve that goal, it's all about simplicity in **business process execution.***

Yet, while 100% of retailers believe a consistent customer experience across channels is very important (or of "some importance"), just over half (54%) say that their biggest inhibitor is that they do not have a unified view of the customer across channels, according to Retail Systems Research, in the report titled *Omni-Channel 2013: The Long Road to Adoption.*

Forward-thinking retailers and brand manufacturers looking to expand their business across channels, brands and the globe are seeking a complete commerce platform that will ease the process from back-end systems to the POS, ecommerce and beyond.

B2C, B2B & B2B2C

It's a "new world order," stated NetSuite CEO Zach Nelson in a recent keynote address. Manufacturers are now retailers and direct sellers. Retailers are now manufacturers and direct sellers. These entities are no longer just B2B or B2C companies, and they need a platform that can support their growth and expanded capabilities.

The focus must be on **innovation, insight** and **consistency** to enable **unlimited growth.** Those goals can be achieved by following five key steps, with the customer as the central focus:

1. **Adopt a Single Commerce Platform**
2. **Access a 360-Degree View of the Customer**
3. **Implement Intelligent Order Orchestration**
4. **Deliver Innovative Customer Experiences**
5. **Enable Unlimited Expansion**

This E-book offers clear direction to help retailers and brand manufacturers implement the five steps to customer-centric success, using real-world examples backed by industry research and statistics.

Just over half (54%) of retailers say that their biggest inhibitor is that they do not have a single view of the customer across channels.

– Retail Systems Research

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1 **Adopt a Single Commerce Platform**

Offer true omnichannel shopping and service through the cloud

To achieve success in today's digitally competitive marketplace, retailers need to simplify processes by consolidating systems. This strategy will eliminate duplication and fragmentation while delivering real-time analysis that will enable marketers to make quicker and more relevant decisions.

With a single cloud platform across front-end and back-office systems, integration costs are reduced dramatically. This cloud-based approach also allows the system to communicate and integrate with other cloud applications, further increasing efficiencies and capabilities.

It's clear that today's retailers are realizing that cloud-based platforms provide significant long-term benefits. IDC calls it the "3rd Platform" — which includes a combination of Big Data/analytics, social collaboration for business, mobile and cloud computing storage — essentially **a single platform to run the entire business.** According to Frank Gens, IDC Senior Vice President and Chief Analyst, 25% of all IT spending in 2013 went toward the 3rd platform, a percentage that will only grow in coming years: "Virtually 100% of all the marginal spending growth in IT is now coming from 3rd platform."

This move to a single platform in the cloud is driven by a number of influencers, according to Gens. "The main driver of the 3rd platform has been the [core IT infrastructure] shift from on-premises data centers and networking to cloud computing and storage with almost everything now being offered 'as a service.' Cloud's adoption has been driven by three major factors: scale, complexity and speed. The cloud offers scale that regular businesses do not have, which allows them to deliver more complex services faster."

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– Frank Gens, IDC

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Retail Success Story: Hanover Direct

Making the move from a mail-order catalog company to an omnichannel retailer was a seemingly daunting task for 102-year-old Hanover Direct. Before updating its systems, the apparel and home fashion retailer was dealing with dozens of point-to-point integrations that were difficult and expensive to maintain. Additionally, legacy mainframe applications and a 60-server data center caused delays and increasingly high IT costs.

By integrating NetSuite's cloud-based solutions for POS, financials, inventory and order management, manufacturing and CRM, Hanover Direct has been able to drastically reduce IT costs and complexities. The data center now operates from 25 pieces of equipment, down from 95. And the company now has real-time visibility in sales orders across channels.

"We have a global view of the company within a single platform, which gives us a full understanding of customers — regardless of the channels they're using to browse and buy," said Jeffrey Rosenholtz, CIO for Hanover Direct, in an interview with Retail TouchPoints. As a result, he said, Hanover Direct can "grow the organization as the demands of omnichannel consumers continue to evolve."

Retail Success Story: Orlebar Brown

With NetSuite, key employees at global luxury retailer Orlebar Brown can gain access to role-based dashboards, delivering real-time information on the company's purchasing, product stocking and distribution KPIs.

"NetSuite has enabled us to quickly expand and grow our business," said Irfan Harris, Finance Director for Orlebar Brown. Consolidating all systems within one, centralized platform has freed up our retail managers and the financial department from having to devote significant time to running reports and data analysis. And because NetSuite is based in the cloud, our entire team can access and analyze data quickly and on the move."

Top 3 Benefits of a Single Commerce Platform:

1. **Eliminate need for system integrations**
2. **Gain real-time data visibility**
3. **Reduce operational costs**

2 Access a 360-Degree View of the Customer

Provide innovative, personalized and targeted offers and communications

Consistent customer experience is now part of the retail dictionary across all industry segments and brands, and marketers are clamoring to deliver on that promise quickly. Being able to access one customer record across all channels and business models in real time allows retailers to obtain that often-elusive single version of the truth. Finally marketers are able to determine the **true lifetime profit** for every customer.

Hanover Direct's Rosenholz has stated it clearly: "Now customer records from the store, call center and ecommerce site all are stationed in the NetSuite platform, giving customer service reps a **360-degree view** of shopper activity

and preferences. Not only will this help provide customers with better shopping experiences, it also will ensure Hanover Direct provides effective and relevant marketing campaigns and interactions online."

Rosenholtz added: "We now have the ability to open information to everyone in the company." Because information is updated and immediately delivered to the cloud, employees are empowered to make better decisions, he added. All employees now have "volumes of real-time sales data, which gives them actionable insights to help them do their jobs quicker, smarter and with less dependency on others."

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– Jeffrey Rosenholz, Hanover Direct

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Retail Implementation: Cleaner's Supply

Cleaner's Supply operates B2B and B2C businesses, which include a call center and two ecommerce sites: *www.cleanersupply.com* and *www.wawak.com*. The B2B Cleaner's Supply operation sells dry cleaning supplies in North America; the Wawak business sells tailoring and sewing supplies to businesses and consumers. The company has adopted NetSuite for ecommerce, sales force automation, customer service and marketing automation.

"NetSuite is unique in offering integrated ecommerce and CRM that can give us new insights into customer interactions over our web sites and call center for better service, targeting and promotions," said Joseph Dunne, President of Cleaner's Supply. "Mobile support was a primary driver in our decision," Dunne said. "If a customer is frustrated with your site, they're gone and you never hear from them again. Delivering a superior experience from the beginning and gaining a single customer view are huge for us."

Top 3 Benefits Of A 360-Degree View of the Customer:

1. **Single version of the truth**
2. **Improve customer support across entire business**
3. **Gain insight into total customer lifetime value**

3 Implement Intelligent Order Orchestration

Deliver on the promise of fulfilling, buying and returning anywhere without breaking the bank — domestically and globally

Today's demanding and digitally savvy shoppers expect their retail brands to provide a quick and seamless ordering process that delivers selected products at their convenience through their channels of choice.

To achieve this holy grail of ordering and delivery, retailers must have a best-in-class solution in place that provides real-time ordering information throughout the organization. The system of choice should include customizable business rules to seamlessly orchestrate each order throughout the entire supply chain and the vendor network.

Aberdeen confirms the importance of omnichannel order optimization: 62% of Leaders (vs. 37% of Followers) share up-to-date order management information across channels; and 50% of Leaders (vs. 43% of Followers) do the same with product information. "These two capabilities help establish a consistent brand presence across channels," noted Aberdeen in the report titled *Omni-Channel Retailing 2013: The Quest for the Holy Grail.* "The sharing of order management information promotes a higher level of visibility in the order process, from the transaction through fulfillment," stated report author and Aberdeen analyst Chris Cunnane. "Sharing product information establishes a single version of the truth for product attributes and descriptions regardless of channels."

62% of Leaders (vs. 37% of Followers) share up-to-date order management information across channels.

– Aberdeen

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Retail Implementation: Design Within Reach

http://call-small.blogspot.com/

Design Within Reach (DWR), a multichannel retailer of upscale furniture, much of it imported from Europe, requires clear inventory visibility to ensure that customer orders are delivered accurately and on time. "Our goal is to have a highly precise and complete in-stock omnichannel position," said Bethany Kemp, VP of Technology and Information Systems at DWR, in an interview with *Retail TouchPoints*. "This goal underscores the competitive advantage we bring: Yes, customers can order European imports from another retailer, either online or in-store, but it may take them 16 weeks to receive it!"

DWR is implementing technology from NetSuite to improve visibility into customers' omnichannel orders and deliveries. The NetSuite order management platform will help the retailer attain the goal of improved in-stock inventory: It will provide a clear view into order status, such as the number of current European shipments, the products included, where they are and when they will arrive.

NetSuite applications will run the retailer's core financial/ERP, inventory management, order management and POS processes. The implementation, which will replace a legacy IT infrastructure, will provide real-time access to customer and internal data. It also will power an ecommerce storefront; 40 retail studios across the U.S., Canada and Mexico; and a large retail outlet.

DWR will be set for future growth, which includes introducing larger-format stores and expanding its overall store count.

"Moving to the cloud is huge for us," *added Kemp*. "As the retail environment and marketplace keep changing, we need the system flexibility and adaptability that allow us to keep moving forward." Kemp said that to gain the best market position, "We must be able to make system modifications quickly and reliably. At last, we'll no longer have to worry about manual infrastructure management and the unforeseen problems that changes to our old system had on basic operations."

4 Deliver Innovative Customer Experiences

Use mobile, social, web and in-store tools to provide an engaging and relevant brand experience and deliver on customer expectations
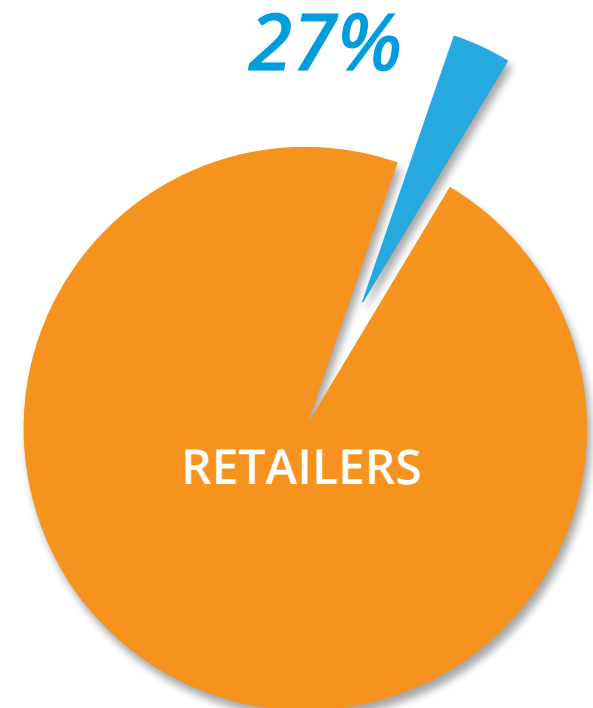
Retailers have to be on their toes when it comes to the customer experience. Shoppers today are looking beyond price comparison; they are seeking retailers they can relate to that provide the most relevant and engaging customer experiences. Your customer experience is a brand differentiator.

27% of retailers are not able to identify customers when they are standing in front of the POS.

– Boston Retail Partners

TWEET THIS

Yet as many as 27% of retailers are not able to identify customers when they are standing in front of the POS, according to Boston Retail Partners in its report *2014 Customer Engagement Survey*. Additionally, fewer than half of retailers plan to implement personalized promotions, based on real-time data, within the next two years.

There's clearly an opportunity for forward-thinking retailers to get on board with the latest solutions that can help improve the customer experience.

27%

RETAILERS

Retail Success Story: Orlebar Brown

Top 3 Benefits of Innovative Customer Experiences:

1. **Differentiate the brand with unique experiences**
2. **Optimize mobile delivery with responsive design**
3. **Seamlessly move from the PC to the smartphone to the store**

As part of plans to further improve the customer experience, Orlebar Brown has invested in NetSuite's Point of Sale (POS) system. Starting with the company's Notting Hill UK store, Orlebar plans to roll out the upgraded POS system to all other physical stores in the UK and to new store locations set to open in the U.S. in 2014.

Integrating NetSuite's POS system with NetSuite OneWorld gives Orlebar staff and merchandisers a complete and seamless 360-degree view of the customer across all channels. In addition, NetSuite POS's flexibility allows the system to be integrated with a

third-party iPad merchandising application that is already in use at retail stores to deliver a more personalized and engaging customer experience.

5 Enable Unlimited Expansion

Secure successful growth across channels, brands and the globe

Global expansion is the ticket to long-term success for many retailers and manufacturers. The borders of the U.S. no longer provide the expansion possibilities needed to sustain a growing business.

A comprehensive global solution will operate from a single platform that offers the following benefits:

▶ Supports multiple countries, languages, tax rates and currencies

▶ Creates and manages multiple web sites for individual brands, geographies and business models — all from a single site instance

▶ Combines business-to-consumer (B2C) and business-to-business (B2B) selling models on a single platform with a dramatically lower investment and without the need to maintain separate systems.

According to Javelin Group, in a white paper titled *International Retail: New Channels and New Frontiers*, "As a growing number of retailers are demonstrating, once the significant challenges of planning and establishing a retail operation in multiple countries are overcome, the rewards can be very high indeed — in some cases surpassing the profitability of their domestic business."

Systems should not be the inhibitors to global growth, but in many cases outdated systems do not offer the speed and agility to react to new demands. Business solutions need to be able to address a variety of significant changes and updates, such as new branding, new product concepts, company spinoffs and international growth.

"As a growing number of retailers are demonstrating, once the significant challenges of planning and establishing a retail operation in multiple countries are overcome, the rewards can be very high indeed."

– Javelin Group

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Retail Success Story: Williams-Sonoma

Handling the complexities of global, multi-channel commerce was the driver behind Williams-Sonoma's desire for a single commerce solution. With eight brands, 581 stores and $4.4 billion in annual sales, the specialty retailer of home products needed to be able to quickly and efficiently expand its brand and global offerings. The retailer initially chose Australia and the U.K. as the No. 1 and No. 2 target markets.

With NetSuite SuiteCommerce and OneWorld solutions, Williams-Sonoma gained the ability to efficiently move into new global markets. In 2013, the retailer launched its first company-owned–and-operated stores and websites abroad, in Australia. Partnering with NetSuite, the retailer was able to launch all four stores and sites within a very tight timeframe. "Since 46% of our business is direct to consumer, we had to have something that was 'pixel perfect,'" said *John Strain, CIO for Williams-Sonoma.* The NetSuite solution "offers all the feature functionality we were looking for. In fact, in some areas the NetSuite solution is better than what we have domestically."

Manufacturer Success Story: Shaw Industries

With more than 170 locations worldwide and $4.5 billion in revenue, Shaw Industries needed an agile solution that would meet its global growth needs. With NetSuite OneWorld's ERP capabilities, the company is now able to run a new 210,000-square-foot manufacturing facility in China, while managing 10 international subsidiaries in other countries. OneWorld supports 190 currencies and 19 languages, and provides automated tax compliance in more than 50 countries.

A Dalton, Ga.-based subsidiary of Berkshire Hathaway, Shaw "is actively seeking to grow sales around the world, and we needed a cloud-based solution that could support different languages and currencies with lean resource requirements," said Roddy McKaig, CIO for Shaw Industries. "Because NetSuite is in the cloud, we can enter new global markets faster than if we were to set up servers in each location."

Seamless integration is key when it comes to meeting the needs of long-established companies like Shaw. At company headquarters in Dalton, OneWorld is integrated with legacy on-premises systems, including an Oracle PeopleSoft financials/HR system and a custom-built application for inventory and supply chain.

Conclusion

Retail has become a complex environment comprised of numerous channels, multiple regions and specific target markets. But keeping up doesn't have to be complex. With the right solutions and systems in place, retailers can remain agile, efficient and profitable.

This E-book takes retailers and manufacturers through a five-part process that can help deliver long-term loyalty and profits. Each step along the way includes real-world customer examples:

1. Adopt a Single Commerce Platform
2. Access a 360-Degree View of the Customer
3. Implement Intelligent Order Orchestration
4. Deliver Innovative Customer Experiences
5. Enable Unlimited Expansion

These five imperatives can be delivered through an integrated end-to-end cloud-based commerce platform. This type of solution can fulfill the needs of retailers of all sizes and segments. Get started today before your competitors beat you to the punch!

Keeping up in a complex retail environment doesn't have to be complex.

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About

NetSuite is a leading end-to-end cloud solution designed for multichannel and multilocation retailers and is the only cloud system to unify in-store and ecommerce on a single platform with your core operational business systems—inventory and order management, CRM, business intelligence, marketing and financials. Businesses running NetSuite provide a more relevant and personalized customer experience while streamlining operations, increasing efficiency, better managing suppliers and stock, speeding fulfillment and improving customer service.

Watch

SuiteCommerce: Single Unified Commerce Platform

Product Demo: A Seamless Commerce Experience, NetSuite for Retail Companies

NetSuite Enables Global Expansion at Williams-Somona

Read

Data Sheet: NetSuite for Retail
Run your entire retail business with one commerce business system.

Brochure: SuiteCommerce
A complete commerce solution built around your customers.

White Paper: A Single Commerce Platform for Channel-Agnostic Retailing
*How a unified approach accelerates the journey to omnichannel,
creating competitive advantage along the way.*

Report: *Integrated Solutions For Retailers Omnichannel*
Can you meet consumer expectations at any cost?