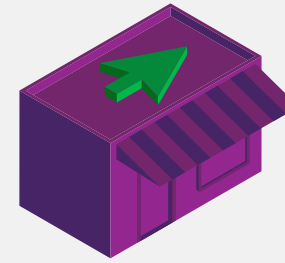


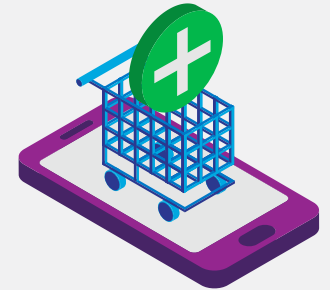
# The Retail Industry's Inconvenient Truth

In order to remain competitive and profitable, retailers need to ensure they are faster and easier than anyone else to shop with. Using the latest technology solutions, retailers are able to enhance their omnichannel strategy to strengthen their business and maximise sales across both their online and physical stores.



44%

of consumers are more likely to shop at retailers who offer click and collect. However, only 24% of retailers provide this.



25%

increase in additional sales when retailers use click and collect.



# How to address some of the industry's biggest challenges

## Online retail soars with opportunities for physical stores to thrive

Over the past decade the retail landscape has undergone a drastic shift as more retailers focus on an 'online only' strategy.

There is no doubt that online will continue to see exponential growth, as will all retail strategies that utilise a mix of digital and physical experiences. However, bricks and mortar retailers don't need to be left behind.

The reason online shopping has been so successful is due to these digital retailers being able to keep up with the growing demands of customers through the use of services such as next day delivery and free returns. However, as retail technology has evolved, physical stores are able to capitalise their online sales whilst encouraging additional foot traffic into the store by implementing an omnichannel solution.

## Amazon can be a threat – or an opportunity, depending on what your next steps are

Australian retailers have the opportunity to remain competitive against Amazon. Due to such large distances between relatively small cities, local merchants have a significant advantage in fulfilling orders and therefore need to take action to make the most of this geographic benefit.

## An omnichannel solution

Research has shown that customers who shop via many channels are more likely to spend more than if they have just the one option. This is because these customers are given a greater level of flexibility to fulfil their orders; encouraging them to buy more products and be more inclined to remain loyal to a particular brand.

For brands like Amazon, whose distribution network is made up of centralised warehouses, shipping products can take time and cost money. Yet, for retailers with multiple stores in different geographical locations, they can fulfil these order much quicker and cheaper.

## An enhanced distribution network

The key for retailers to compete with large online giants like Amazon is to utilise their existing distribution network; including both their online and physical stores. It really should be the case that any omnichannel retailer with physical store locations should be able to outperform anyone with less stores and only a handful of distribution centres.

In order to enhance their networks, retailers need to adopt gamechanging technology that can bring this to life. Nowadays there are a number of flexible solutions that can be implemented to develop difficult omnichannel operations. This is what we now call "distributed order management".

However, for those retailers struggling to adopt new technologies to meet their customer's growing demands, they could find that they are put under significant strain in 2018 as the retail landscape becomes even more competitive.



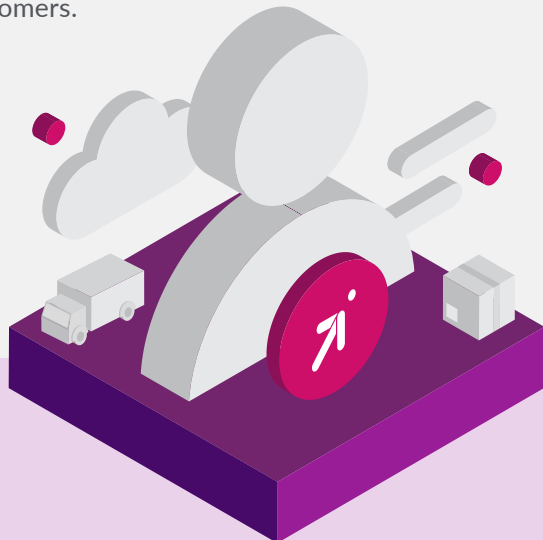
## CHALLENGE 1

### Enabling customers to choose the most convenient fulfilment options

Customers are unique for retailers as are their needs. According to research, consumers remain loyal to brands that offer the flexibility to meet their individual needs and the retailers that are failing to do so could find their customers are disappearing in favour of their competitors.

In order to compete with online giants, local retailers need to adapt and utilise innovative technologies to streamline their fulfilment options available to customers.

- ✓ Provide customers with more options to receive their product how they wish
- ✓ Produce personalised product availability and options for each individual customer
- ✓ Roll-out new delivery options, loyalty schemes and fulfilment based product offers in real-time; therefore promoting brand loyalty



## CHALLENGE 2

### Poor view of inventory, lost sales and disgruntled customers

Retailers with a poor view of their stock may be inadvertently providing their customers with a poor service. In addition, merchants may find they are left with excess inventory, forcing them to sell at discounted prices or missing sales altogether.

Having an enterprise wide inventory view not only allows your customers to see what is available and where, but also makes it easier for staff to know what products are available, in what quantity and at which location.

- ✓ Online stock is always up to date to give true availability accuracy for customers
- ✓ No need to reserve stock for customers physically walking in stores
- ✓ Configure and manage custom inventory rules that suit your business
- ✓ Track inventory by location and specific storage area



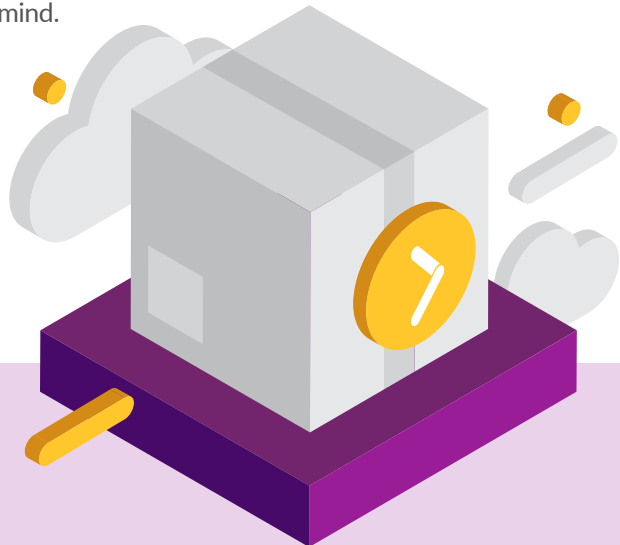
### CHALLENGE 3

#### Returns via mail: inconvenient and costly for everyone

Customers don't want the inconvenience of having to spend their time and money returning their purchases. In addition, retailers don't want to lose out on profits by having to extend the time between an item being returned and available for resale.

Whether the item was bought online or in-store, retailers need to be giving customers more options with how they return their items. Brand loyalty isn't just down to convenience of sale but also how easy it is to return if the customer changes their mind.

- ✓ Manage the entire returns management process across your business
- ✓ Improve customer experience by offering flexible returns and refunds for customers
- ✓ Refunds management can be linked to condition checks or take into account customer behaviour and loyalty schemes



### CHALLENGE 4

#### Manual complex processes, unengaged store staff, poor customer experiences

When staff aren't able to efficiently process an online order to be picked up in-store, customers can become frustrated when having to wait or if there is an error. Not only does this lead to a poor customer experience but can also lead to the staff being unmotivated.

Retailers need to enhance their click and collect offering by processing orders quickly and easily; without compromising on accuracy as well as effectively manage all in-store operations.

- ✓ Model, configure and manage your end-to-end store orchestration in real-time to provide full customer flexibility
- ✓ Turn your stores into mini distribution centres, giving customers a faster method to receive their orders

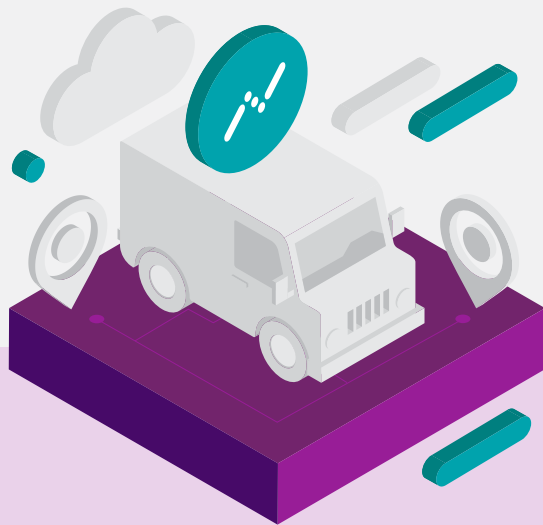


### CHALLENGE 5

#### Poor click and collect service, reduced customer satisfaction and footfall

Research has shown that retailers who offer click and collect see an increase of in-store foot traffic which provides the opportunity to upsell goods. Retailers that offer an enhanced click and collect are seeing 25% additional sales and creating a more convenient and engaging experience for the customer.

- ✓ Fulfil from any locations including distribution centres, stores and international suppliers, giving customers more flexibility
- ✓ Configure smart fulfilment rules to allocated orders based on store delivery choices and available inventory



### CHALLENGE 6

#### Making the customer journey seamless

These days, customers demand greater convenience and have specific personal preferences. They want the flexibility that comes with being able to order online, pick up in-store, with multiple return options if needed. Many customers expect speed, convenience and a satisfying experience in how they shop and will reward retailers who remove the boundaries that get in the way of a seamless journey.

- ✓ Offering customers a greater level of convenience and more options for how they receive products
- ✓ Retailers that offer this level of convenience can promote brand loyalty



# About Fluent Commerce

Fluent Commerce helps out-convenience the competition with cloud native distributed order management. Businesses can fully orchestrate inventory, locations, shipping and orders in a matter of weeks. A modular approach and certified integration makes it easy to configure business rules and get up and running quickly. Clients in Australia and the UK include Woolworths, JD Sports, Big W, Samsung, Australia Post, Nine West, Bras N Things, French Connection, Ezibuy, Shaver Shop, MJ Bale, and Collect+.

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