Need to Unify Commerce? Look to OMS

Why OMS in the Cloud is the Key to Unifying Commerce and Optimizing Customer Engagement

Presented by: enVista
Agenda

• What is Unified Commerce?
• Amazon Effect
• OMS Pillars
• Benefits of OMS
• Lessons Learned
• Questions
Unified Commerce Journey

**Single Channel**
*Late 1800s to mid 90s*

**Multi-Channel**
*Late 90s - 2008*

**Omni-Channel**
*2008 to present*

**Unified Commerce**
*Customer in the center of a seamless, frictionless experience*
Brand Access Has Shifted

Your customers are empowered more than ever:

• Organizations used to own the experience
• Technology in customer’s hands has given them more choice and control
• Your customer now demands experiences along with their buying journey
Amazon Effect

Would you pay $100 for Amazon Prime if Amazon did not keep their 2 day delivery promise? Amazon prime is estimated as a $5 Billion Service. How many $5 Billion services or even retailers do you know? The fact is this service just by it self without selling or delivering one package to your home would rank Amazon as the 183 largest retailer Globally. You only pay for PRIME because Amazon delivers on their PROMISE. Amazon competes on time and they do it with a Order Management System (Home Grown) that allows them to take your order and source the inventory across as vast network of sellers and inventory (owned and not owned). So if you want to keep up (good luck) the unlock is enabling technology (OMS) that allows any distributor or retailer to optimize service level vs cost (trade offs) and manage the life cycle of the order so expectations are met.
Big Data… The Reality

Prescriptive – Here is what you should do
Predictive – Here is what you could do
Insights – Here is what it means
Data – Here is what happened

Only 12% of Enterprise Data is used for Analytics.

FIND YOUR WOW
Survive or Thrive?

- Are you thriving or surviving in this digital age?
- Why are so many organizations struggling?
- As Supply Chain Leaders, how are you impacting the EXPERIENCE of your customer?

IS THE WIND AT YOUR BACK OR IN YOUR FACE?
Bifurcated Systems Don’t Enable Unified Commerce
The 4Ps + Execution

SIMPLE BUT MOST, IF NOT ALL, RETAILERS DON’T HAVE ONE VIEW OF THE CUSTOMER
Enterprise Inventory Management

21%  Retailers have the technology & working well

28%  Have it but say it needs improvement

31%  Plan to implement it within 3 years

Source: Boston Retail Partners; “2018 Customer Experience/Unified Commerce Survey”
Enterprise Inventory Visibility

- Search Inventory by Site
- Search by Channel
- Search by Organization
- Available to Sell (ATS)
- Available to Promise
- Reserved
- Thresholds (Safety Stock)
Cross Channel Price and Promotion Unification

Managing Item, Price and Promotions is not easy

1:N to n:N
Point of Engagement

Engagement

Fulfillment

- Product availability
- Order capture
- Order orchestration
- Order routing
- Fulfillment
- Reverse logistics
- Customer service
Omni-Channel Fulfillment & Execution

We already support this capability
We already have a project underway
Within the next 12 months

- Buy online, ship to store: 10% (10%) 10% (19%)
- Making in-store inventory visible online: 8% (8%) 19%
- Buy in-store, ship to customer: 8% (6%) 20%
- Buy online, pick up in-store: 10% (8%) 14%
- Ship from store: 8% (3%) 10%
- Reserve online, pick up in-store: 6% (10%) 14%

Base: 118 online retailers
360° View of the Customer

- Order History
- Life Time Value
- Orders by Channel
- Credit Limits
- Return Rate
- Frequency of Purchases
- AOV $$
- Likes and Dislikes
- All Interactions + (Social)
- What Has Been Promoted
- Loyalty Points
- Favorites or Affiliations
- Payment Types
Why Are the 4Ps Critical + Execution?

• Hyper Localization Product Assortment
  • Impacts BOPIS
  • Impacts Ship from Store

• Last Mile Fulfillment
  • Impacts SLAs to Customer
  • Impacts Cost to Serve

• Collaborative Omni-Channel Supply Chain Planning
  • End-to-End Demand Planning
  • Unified Planning Not by Channel
Key Construct of Order Management

1. Customer View
2. Product Info
3. Inventory Management
4. Order Orchestration
5. Payment & Tax
6. Omni-Channel Fulfillment
7. Shipment/Carrier
8. State and Status
• Manage lifecycle of orders from creation through fulfillment and potentially returns
• Forward Logistics / Reverse Logistics
• Manage integration with fulfillment partners
• Manage order changes / cancellations
• Manage email communication with customers
• Manage exceptions through alerting
Some say it is just about APIs!!
It’s easy.....

It’s more than just how many APIs the solution provider states they have.
The Power of an “Integration First” Approach

File Formats:
- EDI-X12 EDIFACT
- CSV / Excel
- XML
- Flat File
- JSON

Protocols:
- HTTPS
- Email
- Web Services
- SFTP
- AS2
- Interconnect

Commerce Management

Integration Platform as a Service

Business Process Objects

3PL’s
- Customers
- Application
- Vendors
- People

MHI
THE INDUSTRY THAT MAKES SUPPLY CHAIN WORK

FIND YOUR WOW
Benefits of Order Management

- Pre- and post-cart order orchestration
- Single shopping cart
- Cross-channel inventory visibility and availability
- Flexible ordering and delivery options
- Simplified and flexible technology
- Headless commerce architecture
- Customer experience personalization

One of the few, if any, Application/Platforms that improves revenue and reduces cost
## Best Practices

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<thead>
<tr>
<th>Omni-Channel Enablement</th>
<th>Best Practices</th>
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<tbody>
<tr>
<td>Enterprise Inventory Visibility</td>
<td>• Real-Time visibility to all inventory</td>
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<tr>
<td></td>
<td>• Order/reserve online capabilities</td>
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<tr>
<td>Buy Online/Pick-Up In Store</td>
<td>• Accurate in-store inventory visibility (&gt;98%)</td>
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<tr>
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<td>• Short fulfillment times (&lt; 30 Minutes)</td>
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<td>• Customer notification (&lt;2 Hours)</td>
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<td>Ship-from-Store</td>
<td>• Same day pick and pack (capacity analysis)</td>
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<td>• Efficient algorithms to manage fulfillment</td>
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<tr>
<td>Ship-to-Store</td>
<td>• Easy process for store receiving</td>
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<td>• 3-Day SLA for ship-to-store orders</td>
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<tr>
<td>Endless Aisle</td>
<td>• Structure staff training/testing on tools</td>
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<td>• Ease of use (Same POS interface)</td>
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**FIND YOUR WOW**
Lessons Learned

• Ask the question: What are you trying to solve for and why?
• Do the math….. understand your cost to serve
• Who owns the customer?
• Fail fast and move on…but have a plan and work the plan
• Integrations are the long pole in the tent….plan accordingly
• Gain organizational alignment
For More Information

Jim Barnes:  jbaranes@envistacorp.com
Website:  www.envistacorp.com

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