Increase
Sales Channel Efficiency
Through Seamless
Back Office Integration

Whitepaper

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INTRODUCTION

Retail industry is the most complex business model due to various influences. To be successful, any retail enterprise would confine to the below list of objectives:

- Minimize the Cost
- Optimize the Response Time
- Maintain the Information Accuracy & Consistency
- Bring in the Shopping Experience
- Grow the Business
- Maximize the Profit & Sales

Any retail organization involves a complex set of applications from the procurement, manufacturing to shipping of product or service to the customers on time. The integration makes the connected business systems work in harmony and make the communication to the other systems effective to get the necessary information on time and process it accurately.

This means, when the customer places an order in the web or store, there should be a system behind that should processes transaction accurately to provide successful sales completion.
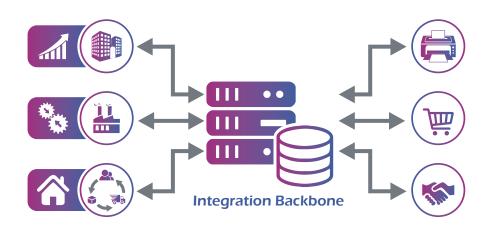
Easier said than done, this involves complex processing of information from various resources in different flavors as listed below:

- Analyze and place the purchase orders to vendors.
- Collect all the sales information and maintain centralized inventory.
- Manage & fulfil the customer orders.
- Process the invoice & maintain ledgers.
- Predict the future sales & promote the products.
- Identify the best & worst selling products and trends.
- Move the product to customer on time.
- Provide the customer support

FLEXIBLE SALES CHANNEL

The connected systems are the most important capability of multi-channel retail business. This is because, the availability of information is highly invaluable in multichannels sales to be able to decide and adjust the business parameters dynamically based on the factors that affect sales. For example, products the users search frequently, potential products that are likely to be sold on a given period of time, available inventory, product wise, region-wise, branch-wise sales statistics, vendor capacity analysis are the key details to be centralized and integrated to all the systems to make the best of use of the available data to improve the business.

The enterprise should look at making its applications loosely connected to the central system and the central system should be built such that it has the necessary infrastructure to be able to plug in the data to the other systems. This will help the business introduce the new channel of business with very minimum cost and efforts around the central system. Consider that the Point of Sale (PoS) is undergoing a change; it should not affect the growing business. The effective integration using the platform like oracle RIB would still allow the updated PoS system to connect to RMS (Retail Management System) by making changes without impacting its core business objectives and its data model.

When the Order Management System (OMS) is updated to the newer version with added features, the integration bus allows them to be integrated to take in the inventory, store sales, web sales, weekly or daily inventory prediction, and real-time inventory update to centralized RMS. When the Warehouse Management System (WMS) is updated with warehouse restructure or when the new warehouses are added, the systems can be easily integrated by introducing new set of integrations without affecting the existing integrations.

MULTI-CHANNEL RETAIL INTEGRATION

Integration Backbone

Product Catalog and Price Management

It is essential that the organization maintains the unique and centralized product catalog to cater to different sales channels. This helps the business to reduce the manual efforts and cost to replicate identical data in different systems. This centralized system will have the capability to define product specifications, associations and rules, product offerings and prices. The business will also be able to make changes quickly when needed.

OMS and WMS Integration

The order management and warehouse management systems are the important systems in a supply chain and should go hand in hand. The integration of these to central systems is the key to track the inventory and its movement. This integration helps to assess the efficiency of the back office operations and dictates how it can work better. This is possible only when the data is real time, reliable and updated immediately as and when he orders are created and processed.

Sales Audit Integration

The successes of business relay in learning from errors and adjusting itself on-time. Every sales and related transactions and events have to be audited from all available channels and kept centralized. This enables the business to be able to process the raw data to take informed decisions based on the facts. This could be suggestive, descriptive or prescriptive to adjust to

improve the business based on wealthy data. Once the enterprise has the business critical data on hand, it has to choose the right tool to analyze the raw data to understand the current business which is descriptive.

For example, number of products, users, and page hit followers and related metrics which could be helpful to turn the potential prospects into customers. Once the raw data is processed, the tool should be able to predict the future sales, required inventory and expansion plans, which are prescriptive.

Price and Promotion Management

Another key factor of success in retail integration is to attract the customers with various types of promotions that suit different users in different geographic locations based on their interest. This is very complex since it requires careful analysis of existing data, trends and price. To achieve this, the system should have strong reasoning and some level of certainty to be successful. Once the system arrives at the different promotions, they have to be fed to the order management systems for the users to be able to view and use. This is possible using the data and technology by integrating the price management systems into web suitable for different devices and channels like physical store.

Point-of-Sale Integration

Point of Sale Integration is the mother of all integrations in retail world. This is because, PoS is powerful enough to get so much details in addition to the creation of invoice and provide payment fulfilment. The PoS handles various business parameters, such as people, products, sales, mode of sales, trends, effective inventory, etc. These data are powerful and should be integrated to central inventory systems as immediately as possible and should be used to respond to business positively.

Vendor Systems Integration

It is critical that the organization establishes third party integrations with the vendors to automate and speed up the procurement process in the supply chain. The success lies in how timely the products are available to the customers so that they are retained for the upcoming business. When the vendor systems are integrated by automating the purchase order creation, the turnaround time is reduced and thus reducing time for sales cycle and promoting the growth of the business.

Integration with the Logistics System

Even after the product is shipped, both parties (business and customers) want to track the inventory and the ETA to feel connected and to have better customer experience. The integration with logistics system helps the business to get the relevant data for planning and expanding the business and optimize the logistics options and thereby maximizing the throughput and minimizing the cost.

CONCLUSION

In the current digital market scenario, retail industry relay on promoting sales through multiple channel for better customer reachability. However maintaining customer satisfaction across all channels is THE MOST IMPORTANT strategy. Seamless integration of data across all channels is crucial to promote sales on time. The integration engineering has to be done like flight engineering. Must be 100% functioning at all times.

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Aspire Systems is a global technology services firm committed to serve global enterprises to establish their visionary enterprise IT and operations. We are passionate about 'Enterprise Solutions' - our approach of creating modern IT that helps to establish solid business value through technologies.

For more information about our Enterprise Integration and Information Management offerings please reach us auras@aspiresys.com