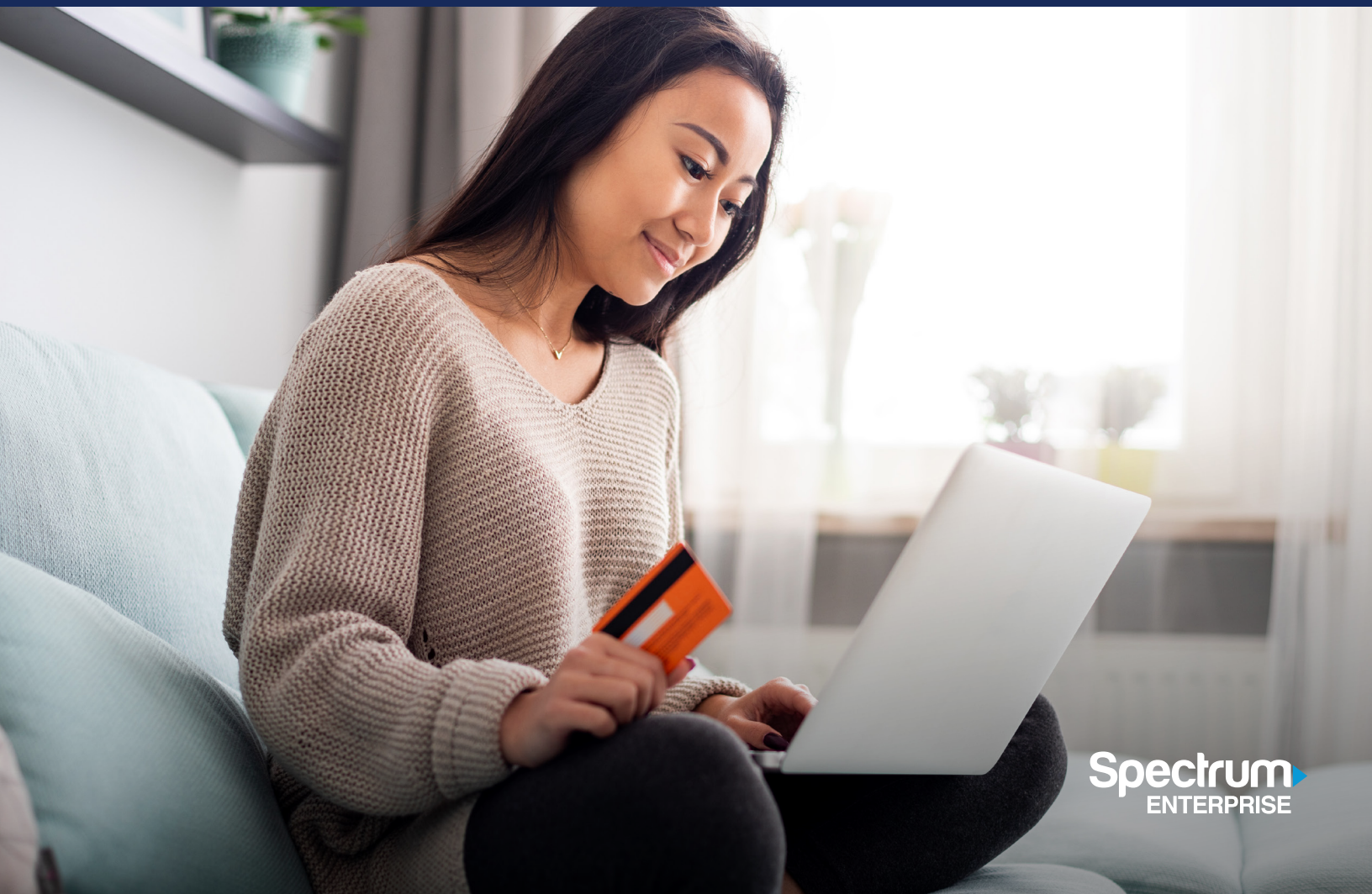


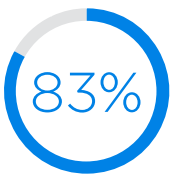
# Online, in store or something in between

Can your IT infrastructure support the  
integrated supply chain and sales experience





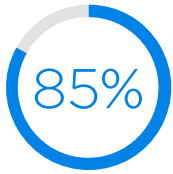
Competition between ecommerce and physical stores hasn't become the zero-sum game that many thought it would. Instead, consumers have evolved the way they shop. They combine the prolific product information available on the web with their trips to physical locations where they can hold products in their hands and have a live conversation with store staff. For retailers to compete, they need the strategy and the IT infrastructure to deliver a consistent, satisfying experience wherever their sales take place.



83%  
of shoppers say convenience  
is more important now than  
it was five years ago<sup>3</sup>

Physical stores have become just a single component of the ecosystem consumers use to research products, acquire goods, reach out for service and make returns. Shoppers increasingly expect the ability to pick up online orders at their nearest store, check product availability online and rely on their data to follow them seamlessly from one channel to the next. Meeting these expectations is no longer optional. Online purchases make up nearly 12 percent of all retail sales and grew nearly 15 percent year-over-year in the first quarter of 2020.<sup>1</sup> Meanwhile, seven in 10 consumers look up product reviews on their phones while shopping in person.<sup>2</sup>

Many historic brick and mortar retailers struggle against ecommerce competitors. Those who are thriving understand the importance of an omnichannel customer experience to set themselves apart. That success also requires the right IT infrastructure to manage increasingly complex systems spanning the entire supply chain.



of shoppers buy additional products from brick and mortar locations when picking up online orders<sup>4</sup>

## Connecting the cross-channel journey

Effectively integrating ecommerce with in-store sales means reimagining hundreds of relationships among suppliers, shippers, warehouses and stores. When ordering online, customers can choose from the entire catalog of products and customization options that simply won't fit in brick and mortar inventory. That leaves store leadership with complex logistical challenges to manage pickup orders and returns from the web. Distribution centers, too, confront new demands for faster shipping and more sophisticated tools for tracking inventory. Keeping those goods in stock from suppliers requires a new approach to procurement in the face of less predictable demand. All of these challenges call for more sophisticated analytics and systems to coordinate the data necessary for a unified customer experience.

The transition to omnichannel can't happen without the right digital tools and the network architecture to support them. Retail locations now need networks and bandwidth well beyond what was once required to run basic point-of-sale systems. Buy online and pick up in store shopping, for example, represents one of the fastest-growing types of orders in omnichannel retail. More than 68 percent of shoppers in one survey have collected online orders in store, and half said the availability of in-store pickup influenced their purchases.<sup>5</sup> That's good news for retailers: 85 percent of shoppers have also bought additional products from brick and mortar locations when retrieving their online orders.<sup>6</sup> Taking advantage of this opportunity, though, requires full integration of store and online inventory data in real time. Centralized networks are becoming essential for distributed locations to ensure the consistent service and growing bandwidth requirements these systems need.

### Merging digital and in-person retail experiences

#### Augmented reality

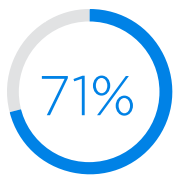
Jeweler Kendra Scott has tested mirrors that allow customers to “try on” jewelry digitally projected onto them, and an app from IKEA uses customer photos to show furniture shoppers how an item will look inside their living rooms.<sup>7</sup>

#### Machine vision

Advancements in image recognition hold the potential to monitor store traffic, inform stocking and resources, track buyer behavior and even tally up the items in their basket without the need for checkout.

#### Customized experiences

Customer data that persists across IT systems can give store staff instant access to online order records, return information, notes from service-center calls and insight into customer preferences that enhance face-to-face service or offerings at self-serve kiosks.



of retailers say software and enterprise systems are the areas of their business impacted the most by omnichannel strategies<sup>12</sup>

At distribution centers, data management is even more critical. McKinsey & Company estimates that replenishment expenses for online orders can cost four to five times more than restocking items in stores.<sup>8</sup> Web sales are less predictable than the patterns that have long informed store inventory shaped by seasonal trends and patterns evident in a single geographic market. As a result, advanced analytical systems and big data have become essential to profitability. In one survey of retail executives, 94 percent said they are exploring or adopting improved analytics solutions.<sup>9</sup> At the same time, warehouses are quickly adopting other data-intensive technologies in robotics, sensors and internal order tracking to deliver goods where the customer wants them as quickly as possible. Enterprise-scale networking is now required to tie complex omnichannel supply chain operations together and connect them to computing resources in the cloud.

### Building the infrastructure for omnichannel success

Among retailers pursuing omnichannel strategies, 71 percent say software and enterprise systems are the areas of their business impacted the most.<sup>10</sup> At the same time, another study found that only 16 percent have all the expertise needed to implement their strategy in-house.<sup>11</sup>

Successful omnichannel retail relies on information infrastructure strong enough to support the proliferation of supply chain data and the scalability to meet the fast-evolving expectations of customers. When building your IT roadmap, be sure your organization can count on the following:

#### Omnichannel experience

Look for a solutions provider with experience integrating locations nationwide with a fiber network built to accommodate the data-intensive technologies of the modern retail stack. That means flexible, scalable connectivity options that can meet the bandwidth needs of individual stores, all the way up to large ecommerce operations.

#### Mission-critical connectivity

Use a network provider that can offer built-in network redundancy and a strong service level agreement (SLA) for uninterrupted service to in-store applications, supply chain communications and organization-wide analytics.

#### End-to-end security

Consider a private network with enhanced security features that can move data securely and efficiently among stores, fulfillment centers, logistics partners and the cloud.

#### Wide-ranging solutions

Choose a provider with services that cover diverse use cases, such as unified communications to help business teams collaborate even away from their desks and managed WiFi for dependable device connectivity in stores.

#### Dedicated support

Give every location and each link in the supply chain peace of mind with round-the-clock support and local, knowledgeable technicians to work on essential IT systems.





## Prepare for the future of retail

It's no longer enough to have an ecommerce site alongside brick and mortar stores. Shoppers want an experience that can integrate their activity online and off, making their lives easier in the process. Research shows that when businesses deliver an exceptional experience, customers reward them with a price premium of 16 percent over competitors.<sup>13</sup> To capture that advantage and keep pace with rapid shifts in the economy, be sure your IT infrastructure is as flexible as your team.

Learn how Spectrum Enterprise can help you build the strong and scalable connections that empower omnichannel technology.

**Learn more**

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### About Spectrum Enterprise

Spectrum Enterprise, a part of Charter Communications, Inc., is a national provider of scalable, fiber technology solutions serving America's largest businesses and communications service providers. The broad Spectrum Enterprise portfolio includes networking and managed services solutions: Internet access, Ethernet access and networks, Voice and TV solutions. Spectrum Enterprise's industry-leading team of experts works closely with clients to achieve greater business success by providing solutions designed to meet their evolving needs. More information about Spectrum Enterprise can be found at [enterprise.spectrum.com](https://enterprise.spectrum.com).

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