



Why Unified Commerce Platform is a MUST for Business Growth

Siloed Applications Restrict Growth and Slow Revenue

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EXECUTIVE SUMMARY

To be successful in omni-channel commerce, companies of all sizes can no longer rely on legacy siloed or homegrown business applications. With the unprecedented amount of data gathered at different points in the organization that needs to be shared across functions, efficient workflows are simply not possible when operating a patchwork of siloed point solutions and legacy applications. No matter what a systems integrator may tell you, these siloed bits of technology will never communicate as effectively as one unified platform does. Today's B2C or B2B business needs a Web-based unified ecommerce platform that combines mobile-optimized ecommerce storefront technology with enterprise-class order management and inventory management, fulfillment and warehouse management, customer relationship management (CRM), Point of Sale capabilities and much more. The market for unified commerce and omni-channel retail continues to grow at double-digit rates and merchants must have the proper technology in place to enable success.

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Juno Active Results

- Consolidated from four point legacy systems to one unified omni-channel ecommerce platform
- Replaced Ecometry OMS in 36 days with zero downtime and no loss of historical data
- Transactions leapfrogged by 13%
- Ecommerce website conversion rate skyrocketed by whopping 26% in 2014
- Revenues grew by 26%
- Average order value up 22% after GoECart 360 implementation
- Improved team productivity and back office efficiency

“A chain is only as strong as its weakest link”

HOW SILOED APPLICATIONS INHIBIT GROWTH

A siloed organization is one that shares data across a patchwork of individual tools. Businesses may have separate applications for inventory management, ecommerce, email and social media marketing and on and on. These tools, point solutions or applications attempt to work together by sharing data; hence, each siloed application contributes to the overall performance of the patchworked system as a whole. However, if even one of the disparate point solutions or applications is imperfect or ineffective, the overall system suffers as a result. “A chain is only as strong as its weakest link” is an apt metaphor when considering the issues involved with sharing data across siloed applications.

Siloed data (ranging from revenues figures to attribution to shipping and more) is a barrier to gaining business insights as well a roadblock to a consistent customer experience. To transform into an effective omni-channel business and conduct successful unified commerce, you need to break down the data silos.

According to a worldwide survey undertaken by Oracle: “The vast majority (83 percent) of businesses has been prevented from getting the best out of their departmental cloud applications, with one in four blaming poor integration with other applications. Importantly, 75 percent said their ability to innovate using cloud applications has also been hindered, with one in two (53 percent) citing a lack of integration. Being unable to integrate the cloud application with other software owned by the company (36 percent) was highlighted as a particular issue, followed by being unable to customize the cloud application to meet company specific needs (33 percent).”¹

Juno Active had a variety of disparate legacy point solutions, including using on premise Ecometry software for order management, inventory and fulfillment, Taurus for reporting, Microsoft Excel for purchasing and a custom home-grown shopping cart. The solutions were not integrated, limited in their scope, and presented a variety of managing and reporting challenges. In particular, with over 5,000 SKUs, Juno Active wanted to move fulfillment in-house to gain better control over order management and inventory management, increased reporting capabilities and advanced CRM functionality.

Badgley Mischka Results

- Consolidated from many legacy systems to one fully integrated and easily scalable solution
- Ecommerce website conversions leapt 72.4%
- Transactions skyrocketed by 88.9%
- Revenues grew by an astonishing 96.2%
- Improved customer experience while reducing technology costs

90% of all shopping cart abandonments happen because customers feel they don't have enough information

THE PROBLEM WITH POINT SOLUTIONS

Although point solutions and disparate applications are physically disconnected, they're virtually connected and mutually. In a perfect world, we could expect point solutions with enough flexibility to integrate new applications with the old (and future ones, as well). However, siloed software applications do not always work well with other siloed programs.

When your point solutions are not sharing data efficiently, the customer feels that in their shopping experience and you lose potential revenue:

- 90% of all shopping cart abandonments happen because customers feel they don't have enough information ⁱⁱ
- 40% of all ecommerce sales are returned, partly because consumers don't have the right information when ordering ⁱⁱⁱ

Many SMBs are struggling with an ecommerce solution which stands alone from their database or their digital and mobile marketing solutions. The main problem these SMBs face is each application being implemented years apart from one another from separate vendors, who utilized different software language. With countless manual steps and separate executable files they are able to operate, but the cost to integrate these applications is simply not acceptable.

Regarding the cost on integrating applications, Oracle had this to say: "While 43% say they do not know the amount of money spent on this effort, among those who were able to cite a figure, on average, companies have invested £121,857 [US\$79,027] to date, but figures rise to £8.5 million [US\$5.25 million] for one company. Proportionally more of the MDs, CEOs & owners cited a figure, as did those in finance, supply chain management and risk / compliance departments, whereas those in sales, marketing & customer services / CRM roles are generally more ignorant on this subject." ^{iv}

Badgley Mischka had web site issues with page load time, social media integration, international shipping, back ordering, stock forecasting and special ordering. All of these woes contributed to an unacceptable rate of cart abandonment. The company was also reliant on many third party tools like PowerReviews for product ratings and reviews, SeeWhy for abandoned cart re-marketing emails, Gigya for social login, and ChannelAdvisor for Amazon and eBay marketplaces integration; the integration between them was sub-par and required excessive programming resources just to stay current. The GoECart ecommerce platform eliminated the need for these third-party tools and integration altogether, improving customer experience, enabling unified commerce improvements and reducing costs at the same time.



“Among those who have attempted cloud app integration, 86% encountered negatives along the way. Alarmingly, 41% say their integration attempts were only partially successful and 18% say some were completely unsuccessful - indeed 55% of companies that tried did not have complete success with their integration attempts.”

THE IMPOSSIBILITY OF FULLY INTEGRATING SILOED APPLICATIONS

Although systems integrators will tell the SMB that they can use APIs and other tools to get disparate applications working well together, the truth is that it just doesn't work that well. The same Oracle study referenced above found that: “Among those who have attempted cloud app integration, 86% encountered negatives along the way. Alarmingly, 41% say their integration attempts were only partially successful and 18% say some were completely unsuccessful - indeed 55% of companies that tried did not have complete success with their integration attempts.

Indeed, it is also interesting to note that just over 1 in 2 of those who claim to have integration says attempts were either partially or completely unsuccessful. ^v

In fact, 43% of those using cloud apps have encountered usability issues, including 23% who say staff in the department do not find it easy to use the apps, and another 27% who say staff do not have the right skills to get the best out of the apps they are using. Such problems can only be made worse by the integration issue and by changing software so frequently due to cloud app abandonment.” ^{vi}



“EBay, Amazon and other marketplaces such as Rakuten.com Shopping, Newegg, Sears and others account for about a quarter of total online retail sales, and are continuing to grow.”

THE RISE OF ONLINE MARKETPLACES PRESENTS NEW OPPORTUNITIES AND CHALLENGES

The explosion of retail channels has made one thing crystal clear: new channels will appear and they will bring great revenue opportunities for your business. When a channel opens for your company, you must be ready to maximize your opportunities in that space immediately. Your software should not be a roadblock to unified commerce: The only new channel issues you should encounter are strategic one: such as what data to display where, in what form. Just look at what a game changer the rise of online marketplaces has been, and imagine if you had been operating on a unified omni-channel ecommerce platform when this opportunity first began to drive revenue.

According to Channel Advisor, “EBay, Amazon and other marketplaces such as Rakuten.com Shopping, Newegg, Sears and others account for about a quarter of total online retail sales, and are continuing to grow.” There are approximately 20 separate online marketplaces the SMB might want to consider selling on, and as Channel Advisor points out you need to “launch, track and automate your inventory across marketplaces such as eBay, Amazon, Rakuten.com Shopping, Newegg and Sears from one central platform, eliminating duplicate product data and preventing potential overselling scenarios.”^{viii}

While simply listing your products across (potentially) 20 marketplaces can be tedious and fraught with opportunity for error, inventory control, order fulfillment and shipping processes must be uniform across all marketplaces used by the SMB. Essentially, you want your customer to be able to buy your product anywhere and yet experience the same order fulfillment regardless of marketplace.

Native integration with leading marketplaces like Amazon and EBay, as well as smaller players, has become a core requirement for ecommerce platforms. The SMB needs to be omni-channel present and back office processes need to be seamlessly enabled by the chosen unified ecommerce platform.



IMMEDIATE BENEFITS OF IMPLEMENTING A UNIFIED COMMERCE PLATFORM

The time is right for the SMB to pull together all their customer touchpoints and the data derived from them in one unified platform. Consumers are clamoring loudly for a better, more consistent omni-channel experience and the SMB must act now to adopt a consistent unified commerce approach.

- 84% of customers believe that retailers should better integrate their online and offline channels ^{ix}
- Digital interactions influence approx. 36 cents of every dollar spent at retail stores (worth \$1.1 trillion). ^x
- Omni-channel customers spend 66% more during holiday season than customers who only shop in stores. ^{xi}

From the Global PwC 2015 Total Retail Survey conducted earlier this year, with over 19,000 respondents, we find that not only do your customers want better integration throughout your omni-channel operation, they also want to be able to interact with your brand digitally, in unprecedented numbers: “This year, virtually all of our consumer and retailer social media engagement has seen an increase from our previous studies ... about a third (34%) of consumers followed their favorite brands or retailers on social media. A little more than a quarter found brands they didn’t know or in which they’d developed an interest (28%) or researched a brand using others’ feedback (27%). Less than a quarter of respondents provided any comments about their experiences with products or brands (23%) or viewed videos about them (21%), but again these figures indicate a marked increase from previous years.

Goode Company had been experiencing growing pains with its legacy Magento eCommerce platform, and had found that even with extensive custom programming and abundance of third party plug-ins, the system could only handle about 50% of the functionality they now required. With two failed implementations in 3 years, the company’s management team was very frustrated. These software issues cost the company a lot of time and money. With as many as 60 customer care representatives taking orders during peak holiday sales season, and the need to deliver over 80% of their online revenues during this 6-week period, the company could not risk another ecommerce re-platforming disaster.

Goode Company Results

- Bounce rate down 40% and pages per session up 26%
- Ecommerce conversion up 52% during the 2014 holiday season
- Revenues up double digits in 2015 over last year
- Improved back office functionality drove productivity up by 50%
- Took more orders in the 2014 holiday season with half the staff
- Average Order Value (AOV) ramped up 11%

“This year, virtually all of our consumer and retailer social media engagement has seen an increase from our previous studies...”



SoccerPro had outgrown its legacy solution of 6 years. SoccerPro wanted a technology partner that could deliver innovation with speed in order to grow its business faster and keep pace with changing consumer expectations. As an omni-channel merchant, SoccerPro required that all customer touch points shared and transferred information. The legacy solution was slowed down by manual processes with inconsistent reporting and inadequate promotional tools. Data integration with third-party vendors was inconsistent and cumbersome. SoccerPro also wanted to supercharge its SEO, mobile and social media presence while also allowing the company to capitalize on unique merchandising opportunities straight from manufacturers like Nike and Adidas.

SoccerPro Results

- SoccerPro grew total Y/Y revenues by 32% (vs. industry growth of 16%*)
- International revenue up 24%
- Mobile revenue up a whopping 82% (vs. industry growth of 47%†)
- Website conversion rate up 6%
- Average Order Value (AOV) up 8%
- Organic SEO traffic ramped up 62%
- Data entry and fulfillment errors decreased by 20%

* U.S. Dept. of Commerce Quarterly eCommerce Sales, 2nd Quarter 2014

† comScore: Q2 M-Commerce Explodes to 47% Y/Y Gain: What It Means for The Growth of Mobile, Aug 2014

HOW A UNIFIED COMMERCE PLATFORM ENABLES GROWTH

Customers see omni-channel shopping as a given. And they expect all this from their favorite retailers today:

- A compelling brand story delivered in a distinctive experience
- Customized offers based on personal preferences
- An enhanced and consistent experience across all devices
- Transparency, real time, into a retailer's inventory
- The presence of their favorite retailers in all the channels they use

The majority of businesses have recognized the need to better integrate business functions and applications, yet the empirical evidence shown in the Oracle survey referenced in this paper would seem to indicate that integration of point solutions and data siloes is just not a war that the SMB should fight.

According to the National Retail Foundation, many companies are skipping the integration and reaping the benefits of a unified ecommerce platform right now: "Traditional POS, call center, e-commerce, and mobile technologies that directly interact with consumers are converging, and e-commerce solutions have emerged as the platform of choice to reduce complexity and enable seamless consumer engagements and transactions throughout the shopping journey. In the near-term, 53% of retailers surveyed across markets plan to implement a unified commerce platform to consolidate key data elements, business rules, and functionality historically housed in multiple systems: Australia 60%, US 53%, and Europe 51%. This outlook represents a nearly 50% increase year-over-year. Over the next ten years, 86% of surveyed retailers plan to leverage a unified commerce platform, making it the emerging standard as technology matures. ^{xiv}

More than two-thirds of the NRF survey participants believe that the move to a unified commerce platform will lead to direct improvement of margin, brand value, and revenue benefits by more than 10%. These growth expectations should have direct and positive impact on the bottom line – and help justify the initiative and related budgetary impact. Every technology purchase a merchant makes should be done with an eye towards ROI, and when companies do finally decide to ditch their legacy point solutions and unify omni-channel retail operations on one platform, the results are immediate and measurable, as can be seen in the chart above, relating the experiences of two merchants who implemented GoEcart 360.

ABOUT GOECART

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GoECart provides a unified commerce platform which enables SMB merchants to manage all aspects of omni-channel commerce — from ecommerce, mcommerce, order management, inventory management, in-store POS to marketing, merchandising, e-marketplaces, fulfillment and customer service. GoECart eliminates technology and integration hassles, allowing businesses to run better and grow faster. The feature-packed GoECart 360 ecommerce platform was designed from the ground up to be modern and meet the needs of today's empowered and connected customers. Additionally, GoECart's cloud-based delivery model delivers on the rewards of software-as-a-service (SaaS). These include zero investment in infrastructure, no integration headaches, free upgrades, and affordable, pay-as-you-go pricing.

To find out how GoECart can help your business, call us today at 877.243.3612

ⁱ Cloud for Business Managers: the Good, the Bad and the Ugly, Oracle, © Dynamic Markets Limited 2013

ⁱⁱ Informatica: 5 obstacles to omni-channel success.

ⁱⁱⁱ Ibid.

^{iv} Cloud for Business Managers: the Good, the Bad and the Ugly, Oracle, © Dynamic Markets Limited 2013

^v Ibid.

^{vi} Ibid.

^{vii} Marketplaces. Copyright 2015 ChannelAdvisor Corporation

^{viii} Ibid.

^{ix} 10 tips to create an effective omni-channel retail experience in 2015, Whisbi, June 2015.

^x Ibid.

^{xi} Ibid

^{xii} Global PwC 2015 Total Retail Survey. February 2015.

^{xiii} PwC Global Total Retail Survey, February 2014

^{xiv} Building the Business Case for a Unified Commerce Platform. Copyright 2015 The National Retail Federation, Ecommerce Europe, The Ecommerce Foundation.