

Technology Foundation for Future Innovation: Retail



Digital transformation is making its mark on the retail sector, as a growing number of organizations recognize and embrace its benefits to their business, both internally and externally. Digital transformation has leveled the playing field for many retailers as they face competition from online and on-location, enabling them to find success in an increasingly omnichannel world that incorporates both sales environments for an inclusive shopping experience.

Today, omnichannel is a critical element in a successful retail strategy, drawing customers from both sides and providing a seamless experience as they switch from online to in-store and back to online. One major retailer that adopted omnichannel now sees 40 percent of its online orders picked up in-store, with one-third of those shoppers picking up in-store making additional purchases during their visit.¹

And consumer adoption of omnichannel buying is growing: 53 percent of shoppers plan to buy online and pick up in-store more often next year than they do currently.²

Other technologies impacting the customer shopping experience, such as chatbots and other forms of artificial intelligence, also will continue to disrupt the retail industry. AI in customer service can

provide accurate information in an instant via web, text or phone and manage myriad tasks ranging from providing shipping updates to handling returns and exchanges—all without human intervention, which frees employees for more value-added activities.

These technologies serve to provide multiple benefits to organizations, not the least of which are increased productivity and enhanced customer experience. Through the use of bots, organizations spend less time on necessary yet low-value activities that take up valuable employee time, enabling employees to focus more on high-value activities, such as greater interaction with customers.

Likewise, through the use of technologies supporting omnichannel activities, organizations are better able to provide a higher-level experience through the sales channel customers prefer, whether in-store, online or both.

The technologies, processes and services that can propel retail organizations, however, need a solid foundation to provide the biggest impact. While technology may offer unlimited opportunity for organizations in any industry, it's as good as useless without the necessary infrastructure supporting it.

Smart retailers understand that a solid foundation that addresses performance, reliability and affordability will enable them to grow their business

faster and more securely and position them to take advantage of future technology advancements. However, the promise of digital transformation today and in the future can't be realized without a solid foundation of performance, flexibility and affordability for maximum impact today and in the future.

Performance

As the number of devices on any given network increases, so, too, does the amount of data generated by these devices. Users—both employees and customers—meanwhile, expect networks to be fast and highly responsive, regardless of what applications they're using. A foundation of **performance** keeps systems, applications and services running at performant speed.

Flexibility

Likewise, as new technologies transform business models and processes and organizations become even more technology-enabled, networks must be able to adapt to new technologies without causing

bottlenecks or slowdowns. A foundation of **flexibility** ensures that technology works for the business, not the other way around, and that the network can grow and adapt as new technologies are added.

Affordability

What's more, today's networking technology is open, vendor-agnostic and API-friendly—a far cry from the closed, proprietary legacy systems that organizations traditionally have relied on. A foundation of **affordability** ensures retailers can easily add new technologies that integrate seamlessly and offer greater processing power without expensive “bolt-on” integrations.

In building a foundation of performance, flexibility and affordability, retail organizations must ensure the technologies they choose will provide benefits both today and down the road. Those organizations that understand and adopt such technologies will have a greater chance of success in digital business today and in the future.

¹ “2019 Omnichannel Report,” research report, Digital Commerce 360, January 2019, <https://www.digitalcommerce360.com/product/omnichannel-report/>

² “2019 Omnichannel Report,” research report, Digital Commerce 360, January 2019, <https://www.digitalcommerce360.com/product/omnichannel-report/>