

## Experience Essentials: Commerce

A quick-start guide to growing your digital business.



## Just the basics

Jasmine had a virtual work event in three days—and nothing in her closet seemed right. She started shopping online and found a blouse she liked. But she couldn't figure out if the item was in stock at a store near her. With just a few days until the event, she couldn't risk ordering online and not having it arrive in time. In continuing her search, Jasmine found the same blouse at a different retailer's site. Not only could she quickly see that it was in stock at a store nearby, but she could also reserve it in her size and get curbside pickup.

The next day, when she arrived at the retailer's local store, a sales rep brought the blouse right to Jasmine's car—the color and sizing were just as she expected. The sales representative even picked out a few accessories to pull the look together. Jasmine purchased all the items and was pleased with the overall experience.

For the retailer who lost the sale, the story could have ended differently if they'd had the flexibility to extend the shopping experience from online to offline. The phenomenon known as BOPIS—"buy online, pick up in-store"—has shown a year-overyear increase of about 130 percent, according to Adobe's 2020 *Digital Economy Index*. The retailer who earned the sale had the right technology in place to stay on top of the BOPIS trend—and to adapt to even newer trends, like curbside pickup. This made all the difference. Jasmine will remember how easy the whole experience was and, chances are, become a repeat customer. Jasmine's experience could have been different from a manufacturing point of view, too. If she'd had access to a wider array of vendors and shipping options, she may have been able to meet her tight timeline. Manufacturers play a critical role in the product supply chain, whether it's going through retail or directto-consumer sales. If Jasmine's blouse had been out of stock, going straight to the manufacturer could have solved her problem. As more and more businesses go digital, even manufacturers have an important role to play in meeting customer needs.

#### How companies rate their omnichannel experience:



Source: Target Marketing

It's vital for companies—both retailers and manufacturers—to give customers rich, immersive, and seamless experiences, online and off. But it's also hard to do. According to Target Marketing, almost half (48 percent) of companies feel the omnichannel experience they provide to customers is only average, and 19 percent feel it's poor or very poor. Building a consistent, personalized customer experience requires more than a website with grids and rows to display your products to linking technology, data, and teams. And this becomes even harder when your company spans many different geographic regions, brands, and business models.

This guide is intended to help you move beyond your current commerce challenges so you can remove the friction in your customer experiences and win the sale—no matter when, how, or where it happens.



Experience-driven businesses have an average growth rate of 15%, compared to 11% for all others.

## **1.6**x

1.4x & 1.6x more value: Experience-driven businesses have grown revenue faster and increased the customer lifecycle more than other companies.

## The not-so-cohesive commerce experience

In today's business climate, it can be problematic for companies to neglect experiences that link across channels, like the ability for customers to buy online and pick up in store, return products across channels, search online for in-store products, or allow cross-channel loyalty redemption. It's not that commerce-driven businesses don't want to offer these experiences, but bringing complex systems such as merchandising management and digital content management together to make it happen is complicated. Adding to an already complex technology environment, many brands now also have different commerce systems for B2B, B2C, and B2E.

Having disparate systems makes it a challenge for commerce business to do the following:

#### Deliver frictionless commerce experiences everywhere

"Commerce systems are not just an app to launch on your website. Commerce is not just a cart. Commerce is not just BOPIS. It's everything," says Ryan Green, strategy and product marketing manager, enterprise commerce, at Adobe. Because the commerce environment is complex, there are a lot of pieces to connect on a lot of channels and systems, and if they're not all connected and integrated, you simply can't support a frictionless online, offline, and every channel experience.

#### Personalize the entire shopping journey

Personalization is not just adding someone's name to an email or having an account page for them. It's about knowing the full context of their behavioral data and commerce data. But many systems can't see the customer in this holistic manner—they can only see one set of data or the other. Additionally, many of the commerce solutions that businesses are using don't have the necessary content management systems to deliver different pieces of content to different audiences.

## Support new business models such as subscription and direct-to-consumer

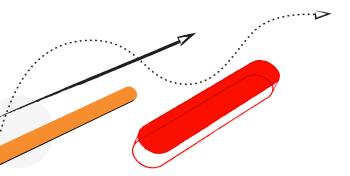
As more businesses are adding subscriptions or moving to mixed models, such as B2B going to DTC or B2C, having integrated systems and the agility to add new channels is a common challenge. Too many disparate systems can also slow your agility to provide services across all touchpoints.

## Expand into new global markets with the scale, security, and performance necessary

As organizations grow, it's not just about having the ability to scale up. "It's about being able to manage that scale with globally distributed teams and have the performance and proper authentication to support hundreds of merchandisers logging into the system and provide them with granular and flexible authorization methods so that they see only what they need to see," says Surya Lamech, senior product marketing manager of Adobe Commerce Cloud.

Yes, it's true that these challenges aren't easy to solve. But to compete with the Amazons of the world, every commerce business needs to provide effortless, personalized experiences—and they need to have the agility and ability to support new models of growth and expand into new markets and channels.

In the next section, we'll guide you through how your business can achieve these goals.



### Embrace experiences everywhere for everyone

Commerce is a landscape of tight profit margins, numerous competitors, and sky-high customer expectations. Businesses that can give their customers a richer, more immersive, and friction-free experience across the entire customer journey are the ones that will win.

To move the needle forward in your commerce business, there are three areas that are important to focus on:

## 1. Connected, intelligent shopping experiences

If you have price discrepancies between platforms or struggles with allowing your customers to start their shopping experience on one channel and finish on another, your customers will notice. With a single platform that unifies channels and services, you'll be able to do the following:

#### Offer all services across all channels

A unified platform lets you extend all services—such as BOPIS, buy as a gift, buy online and return in-store, or loyalty points usage across all channels, online and off.

## Deliver a consistent experience across all platforms and business models

Using a single system that can support various business models, such as B2C to B2B, as well as extend your offerings from your website to other platforms such as Amazon, ensures that details like pricing and inventory availability are up to date and consistent regardless of where or how you reach your customers.

#### Create experiences across all channels

Using a single system with a highly flexible API has its benefits. For instance, it can send all the attributes you need. It also includes the appropriate tools and accelerators to quickly launch new channels. That way, your teams get the agility to deliver experiences across all channels, including CRM, web, IoT, voice devices, and more.

#### Use AI and data to build intelligent experiences

With a unified platform, you can do more with AI and data. Marketers for both B2C and B2B companies are beginning to prioritize content conversion rates, which act as strong indicators of customer experience success. As Business Insider Intelligence reports, "AI-based tools can provide insight into audience preferences and optimize a given piece of content for a given distribution channel, adopting such solutions should be top of mind for marketers."

# Click and collect adds consistency

For Gabor, a German footwear company, having services such as click and collect, where buyers can buy online and pick up in-store across 400 retail locations, has allowed them to create a more consistent experience across all channels, resulting in a 20 percent increase in in-store sales from participating locations with as much as 50 percent of online orders going to brick and mortar.

#### Results

- 400 click-and-collect retail locations
- 20 percent increase in in-store sales
- 50 percent of online orders going to brick and mortar

Gabor



## 2. Scalability and enterprise security

Creating a consistent and trusted shopping experience requires the ability to scale online as well as across markets and business models—and to do this in a way that mitigates security risks. To ensure you have both the appropriate scalability and enterprise security built in, make sure your enterprise platform has the following:

- **Capacity** to support a large volume of SKUs and allow elasticity with product catalogs.
- **Flexibility** to support traffic spikes from holiday sales, flash sales, and viral events.
- **Global scalability** to allow your business to quickly open stores across different regions, including the ability to support translation and different currencies.
- Security certifications such as SSL and PCI that show your business is securely run.
- Audits and security patches to help mitigate risks and provide proactive security measures.
- Backup and disaster recovery to help prevent downtime or data loss.

# Global scalability at lightning speed

As one of the largest construction machinery manufacturers in the world, Liebherr needed to allow the company's construction clients to easily buy machinery parts from sites all over the world. Liebherr chose a B2B e-commerce platform that could sustain the company's growth plans. After six months of development time, Liebherr launched its new B2B e-commerce store with time to spare.

#### Results

- Eight sites in six languages launched in under six months
- 1.7M SKUs supported
- 1,600 connected customers and partners



### 3. Personalization

Customers want and expect experiences that feel contextual and relevant. It's a tall order, but as more businesses are able to fulfill it, there's increasing pressure on those businesses that aren't yet there. By following these best practices, your business can deliver the personalization your customers expect and the marketplace demands.

#### Unify all your data

The only way to understand someone's context is to be able to unify data from all your systems, including your CRM, merchandising, and payment.

#### Understand the shopping journey in context

With your data unified, you then need to be able to use that data in a way that lets you deliver cross-sell and upsell offers that are relevant in the context of their journey.

#### Activate experiences that are contextual

Once you know what offers are relevant to where the customer is on their shopping journey, the final step is being able to activate those experiences on any channel—in-store, on Amazon, on your mobile app, and more.



# A differentiated experience for different audiences

Steelcase moved to a single platform that could support B2B and B2C, easy product configuration, customer-specific sites, and catalogs. This allowed Steelcase to customize the shopping experience so that customers can select products from the appropriate catalog and check out via the correct dealer using their pre-approved payment process.

#### Results

- Single platform for B2B and B2C
- 25 quadrillion SKU permutations
- Customer-specific sites and catalogs



### The supporting roles

To help support your efforts at driving a consistent experience across your entire commerce ecosystem, you also need to understand who is involved and their roles in supporting a complete omnichannel experience. This will help ensure alignment across teams, brands, and business models.

Here are the main players and what you need to know about their roles:



#### CIO

#### Functional role: the strategist

The CIO is responsible for mitigating risk and aligning the business vision with partners. They also have a unique perspective on the technology needs for their organization. The CIO knows that piecing together legacy software to create a unified customer view is painful and ineffective. This positions the CIO as a core advocate and collaborator for strategic and organized customer experience management.



#### VP of Commerce Functional role: the centerpoint

The VP of commerce will be looking to activate new channels and drive efficiencies in omnichannel. They are forward-thinking and want to compete on experience, not on price. The VP of commerce knows that this will require data and cutting-edge technology, as well as a center of control.



#### Data Analyst

#### Functional role: the architect

Data analysts are the ones who gather large amounts of data, determine what data matters, and define the KPIs. By stitching the right data sets together, they show the up-to-the-moment lay of the land to the rest of the business and help turn the insights into an actionable plan for the rest of the enterprise.



#### Marketing Practitioner Functional role: the pacesetter

Marketing practitioners are the employees who are making daily decisions that shape the actual customer experience in all channels, at all levels of the sales funnel, every day. All of the technology the CIO has assembled, the data collected and interpreted by the analysts, and the overall game plan directed by the CMO all funnel directly to these people who turn all of that investment into customer experiences.

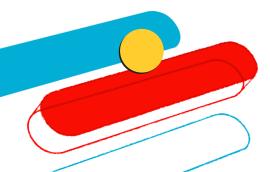
### A blueprint for commerce success

No business should have to lose sales because they couldn't deliver a consistent experience between their online and offline channels, or because they couldn't personalize their B2B or DTC experiences the same way they can with their B2C experiences. As we learned earlier from Jasmine's search for the right dress, connected experiences are part of developing a customer's lifetime value. You never win or lose just one sale—you win or lose a lifetime's worth. Businesses can't survive the repeat loss of long-term customers, so choose your commerce management system wisely.

Here are some questions to ask on your search:

#### Does it offer better-than-average shopping experiences?

When it comes to winning business over the competition, every detail counts. You want to make sure you can provide a frictionless experience—one that narrows the gap between your customer wanting and possessing what you sell. Choosing the right type of web solution (integrated, headless, or hybrid) is important. But your solution should also extend beyond your website across all channels, anywhere your customer is.



#### Does it come with intelligence baked in?

Today, a commerce solution without intelligence is like a building without electricity—it simply won't have the power you need to conduct business. With AI, you can get incredible insights into customer behavior so you can optimize the entire experience, from personalization to merchandizing. This not only streamlines the path to purchase, but also opens up new opportunities like crossselling and upselling.

#### Will it support your overall business agility?

Choosing a commerce solution that delights your customers is only half the challenge. The ideal solution will also support your business on the back end so you can expand, grow, and serve more customers over time. Look for options that give you flexibility in where, how, and to whom you sell.

#### Is the solution open, safe, and scalable?

If your commerce solution is doing its job, you should be increasing your customer base over time. That's why it's so important for your solution to scale easily. Cloud solutions tend to provide the scale and security organizations need when they're looking to take the next step. This is also a reason to choose a solution with an open platform—as technology changes over time, you'll want to be able to coordinate efforts between your commerce and overall technology stacks.



## Adobe Commerce Cloud—an everywhere, everyone experience

With a single, centralized solution, you can combine commerce management with content management in a flexible, scalable way. This enables you to get to market fast with deeper, more immersive experiences and differentiate your brand so that you can capture and convert customers—so your business can thrive.

Learn more about how <u>Adobe Commerce Cloud</u> and Magento Commerce can give you the agility to quickly scale to deliver rich, immersive customer experiences across channels, devices, global markets, and business models.



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