Retail's New Guide to Growth

Industry Experts Reveal Tips, Tech and Tactics to Maximize Sales Channels Now — and Into the Future

ORACLE NETSUITE | retail TouchPoints

Retailers are tackling pressing issues, from supply chain constraints to wavering customer loyalty to inflation. But leadership teams still need to keep an eye on strategies for long-term, profitable growth.

To juggle long- and short-term priorities, executives must address key questions, including:

- How can we prepare for shifts in customer behaviors?
- Which new geographies and channels should we prioritize for long-term growth?
- How can we optimize product development and merchandising to better cater to customer needs?
- What technologies will improve customer intimacy and engender loyalty?
- Are we providing data and automating processes to make teams efficient and effective?

Retail TouchPoints, on behalf of NetSuite, interviewed experts in supply chain, brand strategy, commerce, and global expansion with an emphasis on building business stability and profitability. These innovators and thought leaders offered their perspectives on how retailers can set a foundation for long-term success.

Table of Contents

Develop a Go-To-Market Plan That Spans Product and Customer Experience

In response to supply chain uncertainties, retailers have resorted to over-purchasing products and relying on seasonal merchandise plans. As a result, they are sitting on excess and aged inventory that does not reflect the actual needs of their shoppers, says Liza Amlani, founder and CEO of Retail Strategy Group. Amlani speaks from experience: She's spent most of her career as a merchant and has seen these issues firsthand.

"We have lost sight of the customer, but now it's time to get back to basics," Amlani says. "That means the customer must be the driver of merchandising and product creation strategy."

To successfully accomplish this, retailers must use data from various internal and external sources to inform their plans. Amlani taps into her 20-year career in product and merchandising to offer retailers advice.

Interview with Liza Amlani, founder and CEO of Retail Strategy Group

What data could retailers use better to improve products and the customer experience?
Customer insights haven't been explored enough. Call center data, for example, is a gold mine. Why not take the feedback customers are giving the call center and use it to inform product creation?

What other data sources show this type of potential?
Returns data is another example. We are capturing returns in-store and online, but we are not asking the customer if it's a functional issue with the product, a sizing issue, or a material issue. Are most customers returning this product because they hate how the print has been placed on the garment?

There are many ways to use returns and call center data — and just overall insights — to drive better and smarter decisions across the product lifecycle. I think that alone will increase full-price sales and gross margin.

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The Starter Guide to Using Data Analysis in Your Business
Businesses of varying sizes and across industries have differing needs and levels of data analysis proficiency. However, many understand the importance of data in their businesses — they just aren't adept at using it.

Use Technology to Improve Customer Intimacy Across Channels

Digital channels provide great ease, speed, and access, but research repeatedly shows that consumers enjoy the social interaction of physical stores. Ian Scott, Founder of Ian Scott Retail Consulting, acknowledges the strategic brainpower — and cost — it takes to design and manage these spaces successfully.

"Certain categories are looking to rationalize that physical space, so instead of eliminating stores, they're downsizing or merging them into 'co-creative spaces' where brands can collaborate on a joint store concept or experience," says Scott.

In addition to determining optimal size and locations, retailers are seeking new ways to better leverage stores for long-term success.

"How can they fulfill the way people want to use the physical part of their shopping journey, and how can they contribute to our online activity?" says Scott.

Interview with Ian Scott, independent retail consultant

How should retailers rethink their physical presence as they shape their longer-term strategies around omnichannel?
I talk about symbiotic retail. Everyone sees omnichannel in marketing terms, not in consumer-facing terms. It's not that people tend to go physical or digital — they do both. The symbiotic side is how the store supports digital sales and how the app and website contribute to footfall in-store. Retailers must de-silo their operations because it's now all one thing. Understand that customers travel across channels subconsciously and that you need the right tools to make their journeys consistent.

How can technology help elevate customer intimacy and create an atmosphere that makes customers not only want to come into the store but actually look forward to coming back?
Some progressive brands use their apps really well, and **Nike** is a good example. It opened a new **Rise concept store in London**, and when I walked into the Westfield Mall, the app notified me: *Hi, Ian, welcome to the mall. We look forward to welcoming you to the new Nike store.* It drew me in, and I was still 400 meters from the store when this happened. What I loved is that it was connecting me to that physical space.

In what other ways is this effective?
We all have a phone in our pocket these days, so I think that's a key area where you can start to enhance that experience. Recognize that the customer may use a phone to do price comparisons or to take a picture and share it with their mates or put it on social media.

UK retailer **Flannels** — part of the Frasers Group — has a Beauty Hall with selfie pods that you can go into once you've had a makeover. There's a mirror with a QR code and even wind machines, so you can get the wind in your hair. This creates a fun environment, encourages shoppers to upload and share their photos on social media, and connects the physical experience to the social experience successfully.

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What Is Omnichannel? Benefits and Strategies
While forward-looking retailers have been bullish on omnichannel commerce for some time, the pace of change is accelerating. All companies must adapt to a world where customers want to make purchases, find information, share thoughts and request assistance on various channels: mobile, online, in chat, through call centers — and yes, in brick-and-mortar stores.

Optimize Your Technology and Operations

Changing economic trends, workforce shifts, supply chain disruptions, and changing consumer behaviors have put retailers in reactionary mode over the past few years. As a result, some retailers hastily adopted technologies without fully assessing how well those solutions would address customer needs, says Melissa Minkow, director of retail strategy at CI&T, a digital transformation strategy firm.

"Retailers need to be more focused on long-term strategy," Minkow says. "When retailers react in the short term, whether it's being hyper-proactive or hyper-reactive, the consumer doesn't end up actually benefiting."

Maybe customers have little interest in the capabilities because they don't yet understand the use case, or the use case might be only temporary. Whatever the reason, the result is wasted time and money.

For example, QR codes first emerged in the retail landscape more than a decade ago. While there was an initial burst of excitement, adoption quickly slowed because consumers were not ready to embrace the technology. That is, until the pandemic offered a robust set of use cases that benefited both consumers and businesses.

Interview with Melissa Minkow, director of retail strategy at CI&T

What strategic advice would you offer retailers as they shape and apply their own digital transformation and technology enablement initiatives?
The key is to have a clear investment strategy that is well balanced. You don't need to be an early adopter of every single innovation. Be good at a few of them, and then learn from other brands' mistakes and enter at a more mature phase.

Simultaneously, perhaps consider investing in more foundational areas, such as new logistics technology to satisfy consumers' expectations around having visibility into when they can receive their items.

A focused investment strategy is the key to long-term success because it allows you to focus on the actual products you sell and the quality of the experience.

Where can retailers apply technology to optimize their operational areas?
An important component of technology in stores is making sure it supports the workforce and allows staff to provide the most insightful customer support. **Lululemon** may have been the first to use the term "brand educator" for sales associates, and I thought that was the absolute best way to think about them. It could be using technology to predict the sizes a customer needs so associates can get those at the outset.

Can you expand upon how technology and data can empower associates who are already starved for time and resources?
Technology could provide store associates with data at their fingertips from the customer's shopping experience online; that would enable them to provide better recommendations in-store. It's really about ensuring the customer leaves the store with a level of expertise and service that they couldn't obtain from research on their own online.

And how can HQ employees use data to improve operations and the overall customer experience?
Consumers expect all sales and engagement channels to work together, so optimizing one requires optimizing all. To accomplish this, teams need to be cross-functional, and data needs to be integrated across all channels so you can understand where consumers are going and how they're using each platform.

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3 Ways to Master the New Retail Customer Experience
Thanks to the ever-changing environment we now find ourselves in, the way retailers connect with customers will continue to evolve. For future-thinking retailers, we recommend prioritizing these three CX-inspired initiatives.
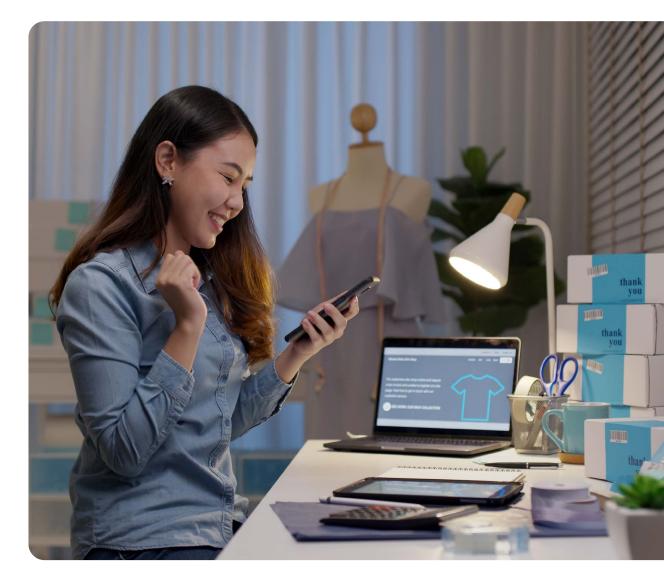
Democratize Data to Support Omnichannel Experiences

As retailers forge new growth paths, Mark Chuberka, IT administrator at **BirdRock Brands**, says the key to developing a successful omnichannel strategy is knowing what the business is doing, along with *why* and *how*.

"The right data enables [brands and retailers] to play what-if games and make more informed predictions," Chuberka says. For example, BirdRock Brands has been able to use data that already exists within NetSuite, including inbound shipment delivery dates, historical sales, purchase order dates, and total space on an item, to better predict warehouse capacities.

"This is phenomenal insight because a lot of containers will show up [at a warehouse] at once and you need to put them somewhere," Chuberka says. "We can now predict how much we're going to sell and bring in every week and determine if we are going to over-fill or under-fill a warehouse."

This is just one of many examples Chuberka shares as he offers advice for brands that want to better use data to assess, optimize, and expand their omnichannel strategies.

Interview with Mark Chuberka, IT administrator at BirdRock Brands

How can retailers create a more robust data strategy to take advantage of the huge volume of information that's available to them?
There's so much data, and we learned fairly early on that spreadsheets are not the way to make planning decisions efficiently. You need a solution to filter that data into something that's usable and understandable. Building a data-informed culture means you can see trends, know your supply chain metrics, and have the data to make big decisions, but also drill down into the details.

What are the benefits of this approach?
You can accomplish a variety of things, such as quickly balancing inventory across multiple warehouses and understanding the true cost of advertising and customer acquisition per channel. This kind of data-rich environment allows brands to prepare for that next big thing.

Which datasets are most useful in supporting an omnichannel customer experience?
Using shared data, retailers can onboard channels more efficiently. Some customers are unique and have specific requirements, but a lot of it is shared. This data allows us to exercise more control. We can ensure customers don't run out of essentials, and we can avoid overselling, so we're able to throttle different amounts to our different retail partners, such as Amazon, Costco, and Lowe's, to meet their needs. If we see inventory issues that would affect the multichannel experience, the data enables us to act quickly.

Can you share an example?
There's a snowstorm in California and we don't have enough snow brushes there. What's our next closest warehouse? Can we start fulfilling out of there? Instead of being stuck with two- or three-day fulfillment, we can still hit overnight and support those customers. And we can do it without having to reinvent the wheel for everyone.

How is faster, easier access to data impacting the way BirdRock Brands teams collaborate?
We want a data-informed culture. We want to make sure the people who make decisions within our company have what they need, aren't drowning in work, and can dig deeper into issues and contemplate them. We hire people and we buy software. Having data in place to make decisions and drill deeper to plan as an expert in the field is the No. 1 thing for us. And I work very hard with our people to understand what they really want from data so we can give them access and help them use their skills effectively.

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Retail Inventory Management: What It Is, Steps, Practices and Tips
Inventory management is one of the pillars of a successful retail operation. Retail inventory management techniques help stores and ecommerce sellers satisfy customers, reduce costs and increase profits.

Consider the Role of Values in the Brand Promise and Customer Experience

Building a strong value proposition and deep connections with customers is the mission for HydroJug, a brand that's focused on helping people lead healthier lives through hydration. That message is clearly breaking through as HydroJug continues to successfully enter new markets and develop fresh revenue streams.

"Everyone needs to know your core competency and your value proposition," says Ryan Holmes, director of operations at HydroJug. "And then you need to stay true to that across your ecommerce channels, retailer partnerships, and product development — everywhere your customer sees your message."

Interview with Ryan Holmes, director of operations, HydroJug

How does HydroJug apply its brand promise across channels to create a cohesive customer experience?

The packaging, the product, everything needs to speak the same language. It starts out by understanding your competency and the value proposition. For us, that's hydration. So when we think about our product and what we're trying to do for our customers, it's to create a process that helps them reach their hydration goals. That's why everything we do — all of our content and marketing in every channel — needs to speak about helping a customer optimize their hydration.

Once you know your value proposition, you need to speak to it on every marketing channel and on your ecommerce page. You also need to make sure your retail partners have that messaging to share with their customers, too.

How does HydroJug use data to balance short- and long-term growth?

We try to share as much information as possible to upstream suppliers so they can cut past the noise. For example, if we know **Sam's Club** is going to place a multimillion-dollar purchase order, I need to share that information with my raw suppliers, and upstream to their suppliers, six to eight months in advance so they can plan for that.

Then, we rely on a single source of truth to pull data and see how sales are trending. This helps us stay nimble and choose where we'll play our dollars. If we want to invest in a new product, we need to make sure we're getting our money out of our current inventory. Trustworthy data allows us to connect the dots and make wise decisions based on what we expect the customer to do and want in six months or 12 months.

How does HydroJug leverage its ERP system to manage supply and demand forecasting? What about to support new SKUs?

We look at our historical data in NetSuite to generate rolling 12-month demand forecasts. Then we generate a supply forecast. Our supply forecasts have pretty high confidence levels for the first three to four months, allowing us to set up our suppliers for success. Then, because we develop all of our new products on a 12-month schedule, we put all of our start dates, end dates, and new product data — including UPCs, weights, and colors — into our product development catalog that lives within NetSuite and share that with our large-scale retailers. The number of items to keep track of is extraordinary, but NetSuite makes it easy.

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Building Your Business Around Your Customers, Not Channels
Customer expectations are motivating retailers to deliver a best-in-class customer experience across channels. To achieve that goal, it's about simplicity in business process execution. With the right systems in place, retailers can remain agile, efficient and profitable.

Use Automation to Maximize the Power of Your People

We asked our experts how they see automation and AI helping retailers gain cost efficiencies and maximize the power of their people and technologies. Here's a roundup of their answers:

> In terms of supply chain and operations, I see increasing use of predictive analytics for demand planning and identifying efficiencies to cut down on supply chain costs and delivery times.
> **Andrea Lisbona, founder and CEO, Touchland**

> When you're implementing things like digital product creation, there's a lot of automation that can help the brand. You can also incorporate automation within PLM. There are so many ways we can leverage technology to drive a better customer experience and also a better employee experience.
> **Liza Amlani, founder and CEO, Retail Strategy Group**

> Merchandising is a very tedious, manual process. Automation can support that, enabling staff to focus on more strategic activities. AI might also be applied to some areas, but I think it's really important in cases where strategic AI is applied that a human is still responsible for that, because that's where retail is an art.
> **Melissa Minkow, director of retail strategy, CI&T**

> With automation, don't try to do everything at once — just start and build it along the way. What do you want to see? What do you want to do? You can always go back and build new automations to accomplish what you need.
> **Mark Chuberka, IT administrator, BirdRock Brands**

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Retailer Grows Revenue 43% With Automation in NetSuite ERP and SuiteCommerce
Sales on the B2C site have increased 100% since The Royal Standard started using NetSuite SuiteCommerce, and the B2B site's sales are up 46% this year. Here's how that was achieved.

Touchland uses ERP to Launch in 4,000 stores in 12 months

Andrea Lisbona, founder and CEO of **Touchland**, is credited with "**making hand sanitizer cool**." Lisbona started distributing sanitizer in Spain in 2010, launched Touchland in Europe in 2014, then expanded into the US market in 2018.

On its way, Touchland chose **NetSuite ERP** as a single system to maintain all operations and fulfill rising demand. It also used **NetSuite Connector** to automatically transfer orders, inventory availability, and more between Amazon and NetSuite. And Touchland relies on demand forecasts from **NetSuite Demand Planning** to place vendor orders that maintain optimal stock levels across six warehouses, keeping customers happy and cash flowing.

Learn more about Touchland's success with NetSuite

Learn more

Ready, Set, *Grow*

The insights offered in this playbook provide retailers with valuable information they can use to build a solid foundation for long-term success and economic stability.

With a focus on growth, results, and optimization, forward-looking brands can apply targeted solutions to deliver the outcomes that matter most.

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17 Ways to Use Predictive Analytics in Retail
Retail predictive analytics is the practice of collecting data on retail operations and using it to improve a business's insight into customers, make decisions about offerings and marketing and, ultimately, learn how to improve the business. This article explores the many techniques and application areas of retail analytics.

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NetSuite ERP is a cloud business management solution that automates core business processes to improve operational efficiency and provide real-time visibility into operational and financial performance. With a single, integrated suite of applications for managing financials, order processing, inventory management, HR, professional services automation, omnichannel commerce, supply chain and warehouse operations, NetSuite ERP gives companies clear visibility into their data and tighter control over their businesses. For more information, visit our website www.netsuite.com.

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