

**MULTICHANNEL
MERCHANT**

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TECHNOLOGY REPORT

ECOMMERCE PLATFORMS

What to Consider in Your Next Ecommerce Platform

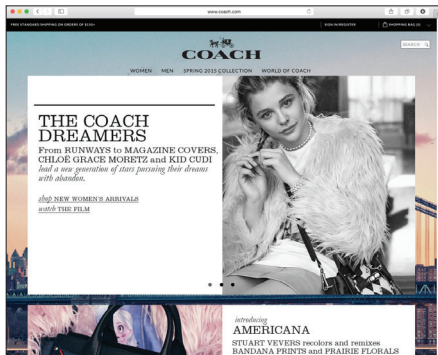
BY DANIELA FORTE

As the demand for a faster and greater experience continues to rise from shoppers, it's making retailers think more intuitively about their ecommerce sites.

According to MCM Outlook 2014, 56% of merchants and retailers said they had plans to redesign their website within the year, while 44% said they did not.

To Re-Platform or Not Re-Platform? That Is the Question

These days, the decision to re-platform is made for a variety of reasons. Retailers are looking to offer more options for customers and with changes happening instantaneously in the way customers are shopping, retailers are trying to stay ahead of the game.



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Coach finished re-platforming in early 2015 with a goal to gain greater business agility and fuel growth across channels and geographies.

The luxury accessories brand switched from its previous platform to a cloud-based solution to better support the com-

pany's omnichannel business transformation and international expansion plans.

"We weren't just looking for a new ecommerce platform; we wanted to fundamentally change our operations model to gain better control and be able to execute across channels and geographies faster," said David Duplantis, president of global marketing, digital and customer experience at Coach.



Alex Golshan, vice president of omnichannel and global ecommerce for BCBGMaxAzria, said deciding to re-platform is about deciding where you want to be culturally as a retailer.

For example, do you want to go with an SAAS solution or a licensed on-premise solution?

"I think it is really around how much development do you want and what kind of development and resources," said Golshan.

For Distinctive Apparel Inc., the choice to re-platform Chadwicks of Boston, Metrostyle and Territory Ahead was based on functionality.



Kathleen Craig, chief operating officer for Distinctive Apparel, said they were looking for a platform that could provide single coupon codes,

responsive design, personalization capacity and a stronger content management system.

Craig said her company looked at around nine ecommerce platforms and ended up narrowing down their choices to

three before they made a final decision on a platform.

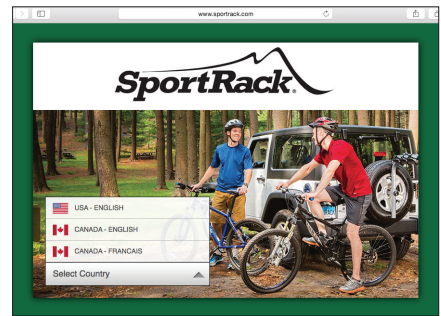
"Do your own due diligence about what you need and talk to current users," said Craig.

In terms of what retailers are adding, according to the MCM Outlook 2014 survey results, triggered emails are on the top of the list (40.7%), while video came in second as an add-on to the website at 37.7%.

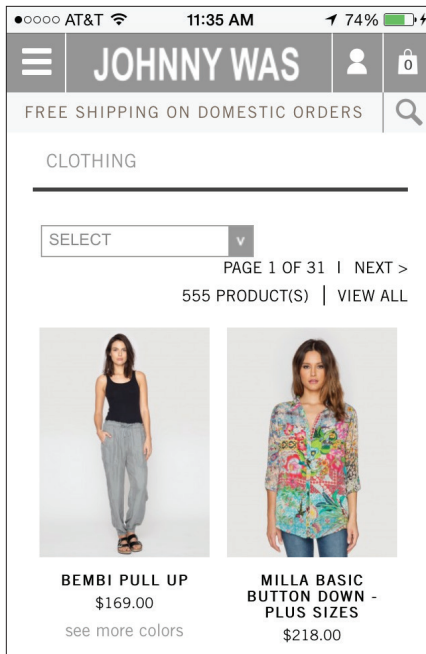


Annie Scopel, director North America customer service for outdoor lifestyle retailer the Thule Group, whose brands include SportRack, TracRac and UWS Brands, said re-platforming was centered on customer service and operations.

"We had an in-house B2B solution, but it was breaking down once a month; we had a complex program, it was congesting customer service and not really helping in terms of demand, we were entering them in our ERP and we found that 120% of our pre-season orders had to be re-entered," said Scopel.



Thule Group had customer service and operations when it decided to replatform its SportRack, TracRac and UWS Brands ecommerce sites.



Johnny Was went with a responsive platform to make it easier for shoppers to buy from mobile devices.

Scopel said this impacted the company's supply chain and created bad historical data in terms of sales and demand.

The company also re-platformed because of its customer service. Between 2008 and 2012, Thule Group had about a 190% increase in customer touches. This included email and phone calls; they were growing organically.

"We were also growing by acquisition, we became the Thule Group, we were acquiring all these companies," said Scopel. "We had 650% increases in call response time, we were getting bigger, but it took a very long time to get us on the phone."

The company needed a functionality that answered the phone faster, move online order entry, shipment and stock status in an effort to decongest its customer service team to become more available to answer more technical questions and move online.

Jill Veracruz, ecommerce manager at high-end apparel brand Johnny Was, said their biggest focus with this new launch was to make the website responsive.

"We just wanted to be a step ahead of

the game," said Veracruz.

Testing the New Platform

Testing is very important when working with a new platform. It offers retailers an opportunity to see how well the platform will work for their business and provides an opportunity to work out any issues that may occur. Testing a platform won't be easy, but it's definitely worth it.

Golshan said testing is hard, because you can do you due diligence, but part of the whole decision is financial.

"A lot of ecommerce platforms are very modern, you can achieve everything with a platform," said Golshan. "It's a question of how much you want it to do for you," he added.

Golshan said that the process involved in re-platforming varies from retailer to retailer, depending on what they are including in their new ecommerce site. It could take between six to eight months, and this depends on whether the retailer sells solely in the U.S., and whether it has omnichannel feeds on the platform.

"Globally it could take longer, with various site designs and more integration features, and it depends on [what] re-design you are doing," said Golshan.

It's a Process

The process of launching on a new ecommerce platform can be a tedious task that can take anywhere from six months to a year or longer.

For Thule Group, Scopel said the process of re-platforming was long and painful. She said instead of going with one vendor in the beginning, the retailer went with multiple vendors to upgrade the B2B experience. Thule then narrowed it down to two.

"That was still too much; when we went with two, the structure was to have a vendor to do the integration with our ERP and the ecommerce platform," said Scopel. "Then we had another vendor and the other vendor was in a different time zone and country doing the front-end experience."

Scopel said it was a very complex proj-

ect to deliver the B2B experience, and lost a great deal of time by making it more complicated.

Training Your Staff

A major part about launching your re-platformed site is training your staff on how to use it. It's the members of the staff that will be using the site on a regular basis, so it is important they are fully trained and equipped to tackle any issue.

Golshan said there were several aspects to the training and pitfalls that can be missed by other companies trying to launch a program such as this.

At BCBGMaxAzria, training centered on hardware/software configuration and deployment, app deployment, corporate web operations and quality assurance teams and store operations.

He said the store operations are the most important in terms of adoption by the stores.

"Training is essential in getting the stores to actually use the new app," said Golshan. "In addition, we are continuously getting feedback from our store associates to gain better understanding of possible hardware/software issues, performance issues," said Golshan.

When it comes to the re-platform, BCBGMaxAzria's adoption has not reached its potential. Golshan said they are working closely with each area to improve adoption through training and through better incentive alignment.

"This process takes time for a new technology, we have stores that have fully adopted [the new platform] and use it extensively and stores that are not yet using the tools effectively," said Golshan.

At Thule Group, they had three levels of users on the site that needed training. There were the retailers, sales reps that place the orders on behalf of the retailers, and the customer service representatives.

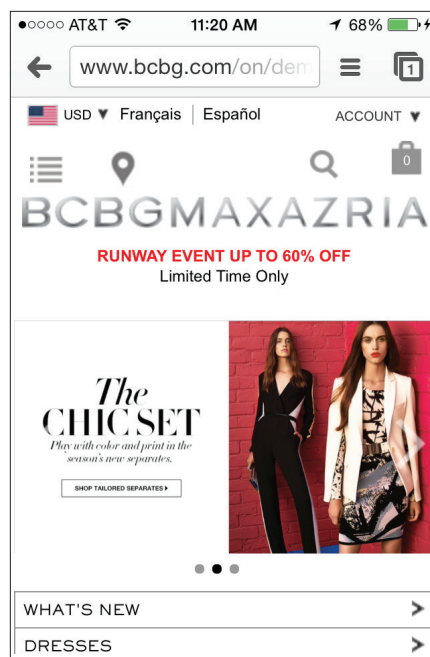
"They all have completely different goals and our approach has been that the customer service representatives are savvy so that we can drive adoption to the site," said Scopel. "We continuously train them;

we know they are in contact with the sales representatives and the retailers as well.”

Omnichannel and Ecommerce Platforms

Reaching your customer at each touch point is vital for your retail business. This is why retailers are taking an active approach in making sure they are where their customers are.

BCBGMaxAzria advanced its omnichannel commerce strategy in nearly 180 stores throughout the U.S. just in time for holiday season. BCBGMaxAzria want-



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Golshan said collective inventory is very important to BCBGMaxAzria, since it is both a manufacturer and a brand. Traditionally, the various pools of inventory have remained in separate silos.

“Within retail, you have these different channels; we have another retail hybrid, which is our partner stores,” said Golshan.

“Not only is Bloomingdale’s a buyer, but we have a store within a store.”

BCBGMaxAzria has made online inventory available in the store. An associate can browse the product catalog and have it delivered to the customer fairly quickly.

“The second step is bringing the ability to have the order filled from anywhere, all these inventory buckets, that is where we’re aiming to go,” said Golshan.

Golshan said everyone is working to make ecommerce instant gratification. This allows retailers to open the world to unlimited selection and get it quick with the right size and fit.



Andrew Steiner, vice president of marketing and customer operations for AmeriPride, a linen and uniform apparel company, said the

ecommerce platform fits in with omnichannel when it comes to its general web store, its customer site stores and providing a branded look and feel as well as a filtered product.

The MCM Outlook 2014 Survey results showed that the top three reasons for a redesign was to update or refresh the look of the site, (64.7%), increase conversion rates (52.9%) and have a mobile and responsive site (52.9%).

Let’s Measure It

In the 2014 MCM Outlook Survey, 80.1% of merchants and retailers said when it comes to metrics, their web-related metrics have become more important to the business as a decision-making tool in the last year.

Golshan said at BCBGMaxAzria they measure several KPIs. This includes the adoption by stores, meaning how many stores actually use the devices, how many associates at each store, sales revenue from this channel by stores by associate, and conversion where BCBGMaxAzria is able to fulfill all demand for items that were not available in store.

“If the items are also out of stock at our

ecommerce DC, that helps us improve our allocation,” said Golshan.

Scopel said they measure the adoption in terms of value of orders placed on B2B, versus total orders received in a month. The company receives metrics from both its B2B and B2C segments.

“We measure it in terms of quantities, orders received and dollar value in U.S. and Canada,” said Scopel.

Lessons Learned

Everyone learns a valuable lesson, especially when it comes to an ecommerce website. Whether you took the longer route to the finish line or took the short cuts along the way, there is always a lesson learned.

Scopel said the lessons they learned were that it is very complex and you need to have the right team and a good project manager and analytical people because it can be very technical.

“Befriend your IT department, that is definitely the key to success, you need to have someone that is all about data, and someone who is dedicated to testing everything ready to deploy,” said Scopel. “Have scenarios; not everyone understands everything the same way.”

Golshan said that for BCBGMaxAzria the lesson they learned was that store operations adoption of the new platform takes longer. You also can’t find all the issues in development or QA environments.

“Many issues present themselves in [the] store environment and have to be dealt with by triaging the issues with that environment,” said Golshan.

Golshan said there is a learning curve for the help desk and IT if the organization has not deployed associate mobile devices in the past.

Johnny Was’s Veracruz said the biggest lesson learned was figuring out how to optimize the product catalog and SKU cadence.

“We have multiple colors, we do repeat names of products over the years, so it’s hard for us to distinguish those products,” said Veracruz. ■