theguardian

Online retail: top tips for a global strategy that works

Date: 11th July 2014
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Always overestimate your timescales, appoint a global chief and ensure product data is collected from day one.

Online sales in North America, Asia Pacific, Europe and Latin America will reach $1.4tn by 2018. Photograph: Alamy

E-commerce is at a tipping point. Research and analysis firm Forrester predicts that online sales in North America, Asia Pacific, Europe and Latin America will reach $1.4tn (£817bn) by 2018, accounting for 1.5% of the world's gross domestic product.

This changing landscape means that a global direct-to-consumer strategy has become a "must have" for organisations – and not just retailers, but brands too. The widespread adoption of connected devices means customers expect a multi-channel (or omni-channel) shopping experience, be it via mobile, online, in-store or through more traditional routes.

There is no doubt that the global marketplace offers a huge growth opportunity but many businesses are unsure of how to embrace it and where to begin. We at Amaze have identified seven steps that we think are critical to success, as part of a longer white paper on digital commerce (pdf).

1. Getting the finances right
Solid financial planning is key so it's crucial to allocate enough time and budget before commencing a digital commerce project. Organisations need to build longer than anticipated timescales and recognise that the roll out of a new website or platform will be competing against other internal resources.

For example, clothing brand Bonobos' solution for customers who wanted to try on its khaki products before buying was to invest in Guide Shops, a place where prospective customers could make an appointment, try on their wares, place an order online and have their purchased goods delivered the very next day. The company now has 10 locations across the US, showing that businesses don't need to invest heavily in retail locations, as these are created in the vein of pop-up shops.

2. Choosing the right technology and architecture
The complex technical integration needed for a global digital commerce solution must be respected from the very start of a project. The architecture design needs to be agile so that it can be quickly and easily rolled out across different regions.

ASOS, one the UK's largest online-only fashion and beauty stores, is a prime example of this. When it entered the global fashion arena in 2005, international constituted for 5% of sales, but within seven years its business model has completely transformed with global sales now accounting for 63% of its business. The speed of this transformation has been breathtaking.

3. Putting the right people in place
A digital commerce solution is only as good as the people behind it and building strong team chemistry is the gel that will bring everything together. The strength of the team really is the difference between success and failure.

4. Data readiness is key
Getting product data right from day one, including an understanding of how a product is categorised and searched for, needs to be the core foundation to a solution. It is also important to start planning dataware houses and intelligence dashboards to capture trading data.

Netflix is a good example of a company that has used its scale and the nature of its products to build data and analytics into its means of operations. To help improve its recommendations engine, the company tracks how customers interact with on-demand film downloads.

5. The importance of global governance
Every global digital commerce solution needs a visionary to head the team and push the boundaries. This person must drive the momentum of the project and maintain the pace of global roll-out so delivery takes place as scheduled.

6. Global solutions are the future
The concept of a single global solution may seem daunting at first but one platform means a lot of crossover and shared costs. Digital commerce has the power to transform business processes, bringing strong cost benefits.

7. Continuous optimisation
Don't just set up a solution and leave it at that; make sure you keep optimising it. An agile solution will allow processes to be quickly improved in line with changing business needs for the long-term.

The digital commerce landscape is experiencing a wealth of innovation. The internet of things and wearable technology are beginning to take hold, providing a new world of interfaces, including virtual reality headsets, and a new era of "sensory marketing", which can tell when consumers are exercising, eating or enjoying leisure time.

As businesses grapple to understand the opportunities these new technologies present, they need to keep true to their business goals, so be careful of the hype. Also, any technology investment must match business processes; sustainable global growth will only come with a well thought through and carefully executed commercial strategy.

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