

The Intelligent Store is Revolutionizing Retail Store Operations

For retailers, the future of shopping is here.

Ushered in by the onslaught of mobility, social media, and online commerce, we are witnessing a power shift from retailer to shopper.

The continuing evolution of the retail store will be driven by these increasingly demanding consumers, who now have an array of choices available. To win sales and satisfy these shoppers, the retail store must adapt and change. Associates will need new capabilities and skillsets. Fulfillment systems will become more flexible and more efficient. And technology will enable the kinds of in-store and supply chain innovations that keep customers coming back time after time.

Retailers might be a bit overwhelmed. How do you adopt an intelligent-store strategy that incorporates modern consumer demands, associates, changing technology, and the store itself?

To help you answer these questions, JDA has developed the Intelligent Store White Paper Series. To download any of these papers, visit JDA.com/knowledge-center



The Intelligent S.T.O.R.E. Roadmap

Start by accounting for the impact labor has on picking and staging operations by incorporating fulfillment tasks into store labor forecasting and scheduling.

Tailor space and floor planning to account for the nuances of picking products from shelves, top-stock, or the back-room while customers are in the store.

Optimize inventory management and picking practices through advanced task management solutions to ensure associates follow an efficient pick path.

Re-invent staging and customer service practices to account for customer pickup convenience and timing.

Execute flawlessly with the right people scheduled at the right time to pick the orders in the right places.

In-Store Picking Creates Havoc for Stores

The rapid emergence of omni-channel operations as a way of life for retailers is putting tremendous pressure on stores to adapt. Nowhere is this causing more havoc than in the need for stores to fulfill ecommerce orders. This impacts every aspect of store operations, including managing inventory, planning for and managing labor, planning floor space, evolving store processes, and even increasing delivery speed. Retailers must reinvent store processes and procedures for these functions to provide the seamless shopping experiences consumers now demand.

While many factors are converging to hinder retailers' adoption of omni-channel operations, instore picking of ecommerce orders is creating the most havoc. [The In-Store Picking Creates Havoc for Stores](#) white paper examines key factors and provide some suggested solutions.

Returns Management and the Intelligent Store

Retailers are aware of the many implications omni-channel operations have for brick-and-mortar stores. With consumers demanding seamless omni-channel shopping experiences, many retailers are now offering some combination of services such as buy online – pickup in-store; buy online – ship from store; buy in-store – ship to home; and buy online – return to store.

The amount of ecommerce sales as a percentage of total retail sales is still relatively small, but it has been increasing by double digits for several years and will continue to grow. The bigger issue, however, is that returns from ecommerce sales are greater than those from in-store sales by a factor of three or more.



While it may be simpler and cheaper in the short-term to not accept in-store returns of ecommerce purchases, as you will see in JDA's white paper [Returns Management and the Intelligent Store](#), that will not be a good business decision in the longer term. Studies show that while 42 percent of consumers will make a new purchase while processing an online return, a whopping 70 percent of consumers will purchase additional items when making an in-store return. That is a sizable revenue lift from accepting in-store returns of ecommerce orders.

Five Steps for Improved On-Shelf Availability

Despite the introduction of new technologies and years of collaboration between retailers and their suppliers, out-of-stock conditions remain at a stubbornly consistent eight percent, and at ten percent or more for promoted items. This represents an eight to ten percent revenue loss for retailers and manufacturers because products are not on the shelves when customers want to buy them, even though the items are often elsewhere in the store.

With the omni-channel shopping and fulfillment options proliferating and with consumer demands for ever-faster deliveries, the complexity of retail operations will only increase. This will put added stress on inventory processes and will heighten the pressure for better on-shelf availability. JDA's white paper [Five Steps for Improved On-Shelf Availability](#) shows you five things you can do to increase your stores' on-shelf availability.



How Omni-channel is Complicating Store Receiving Processes

Today's digitally empowered consumer is transforming retail from a linear, channel-based operation to a channel-agnostic, anytime, anywhere shopping environment. The omni-channel world of "me-commerce" is here to stay and retailers must transform their operations to comply, or risk extinction. One of those transformations must occur in store receiving, where inbound processes have become much more complicated.

The retail transformation is putting tremendous pressure on retailers to redesign their business processes to offer customers a seamless shopping experience. Many of the new omni-channel offerings, such as buy online / pickup in-store, ship-from-store, endless aisle and save-the-sale, can complicate store inbound receiving processes.

JDA's white paper [How Omni-Channel is Complicating Store Receiving Processes](#) focuses on the impact omni-channel operations have on store receiving processes.



JDA Delivers on the Intelligent Store

In the retail industry, the last five years have been characterized by greater changes than those that occurred in the preceding 50 years. Improvements in technology and the rise of omni-channel selling have been the primary drivers for those changes.

With omni-channel fulfillment impacting so many areas, it is not surprising that retailers are struggling to offer seamless omni-channel shopping experiences.

JDA can help. We've helped retailers of all sizes around the world achieve success. Visit jda.com today to learn more.



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