



Modern Merchandising: Managing Complexity with New Tools and Techniques

Benchmark Report 2015

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February 2015

Executive Summary

Things have changed in the world of merchandising. Driven by the ascendancy of marketing, the proliferation of product information channels, and advances in computing power, merchants can now do in minutes at the push of a button what used to take hours of writing, data entry and manual review. However, the state of this merchandising union remains paradoxical, and this report aims to shed light on this new set of issues.

Key Findings

- In the past few years, we'd seen a significant surge in concern over underperforming inventory, no doubt driven by continued unstable economic conditions. This year, however, inventory concerns fall behind issues of pleasing the consumer: namely, understanding consumer preferences, innovating quickly, and retailers' self-awareness that their reliance on promotions is ultimately eroding their brands. Some very interesting differences emerge by retailers' performance, as well. We examine them in the [Business Challenges](#) section of this report, beginning on page 6.
- Retailers continue to use price as their primary merchandising lever, but the number looking to improve sell-through with both optimization and localization technologies continues to rise. Yet at the same time, the bloom seems to be falling off the rose of other technologies. Find out what they are in [Opportunities](#) (page 9).
- As it relates to [Organizational Inhibitors](#) (page 12), the departments which need to be in line most when it comes to merchandising – Marketing, Supply Chain and Stores – are working at cross purposes. Retailers are aware of this, yet so far, have been unable to remedy the situation. Until this organizational friction gets resolved, all other inhibitors become just *that* much more daunting, and rightfully so.
- And in the [Technology Enablers](#) section, retailers reveal a hyper-awareness that many of the legacy technologies they've been using for years are in dire need of a refresh. However, some very interesting things emerge when we look at just *how* differently the best performers view merchandising technologies *in the first place*. We take a look at this phenomenon on page 15.

Throughout this report, we take note of the trends the data tells us, leading up to a set of baseline recommendations retailers can take note of – today – to make their own merchandising efforts more effective. These recommendations can be found in the [Bootstrap Recommendations](#) portion of the report.

We certainly hope you enjoy it,

Paula Rosenblum and Steve Rowen
RSR Research

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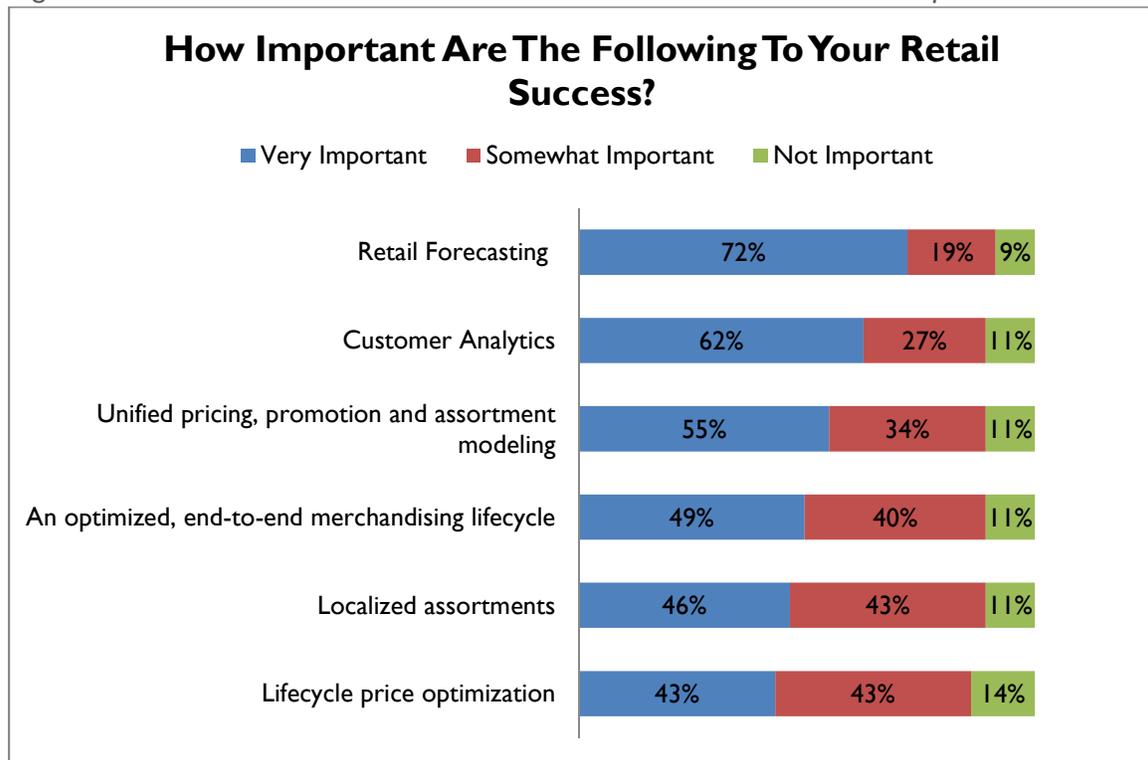
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Research Overview

Welcome to RSR's seventh annual Merchandising Benchmark report! Every year our respondents have delivered new insights to us, and this year was no exception. The merchant's world has changed, driven by the ascendancy of Marketing, the proliferation of product information channels, and advances in computing power that enable retailers to do in minutes at the push of a button what used to take hours of writing, data entry and manual review.

The state of this merchandising union remains paradoxical. On the one hand, the march towards reliance on advanced merchandising tools and techniques continues (Figure 1).

Figure 1: The March to Reliance on Advanced Tools and Techniques Goes On



Source: RSR Research, February 2015

More retailers rated all tools and techniques very important this year, more so than last year. And "Customer Analytics," added to the list of important capabilities for the first time, was also identified as very important by a majority of respondents.

But as we'll see in a moment, actual understanding of tools and techniques significantly lags their perceived importance.

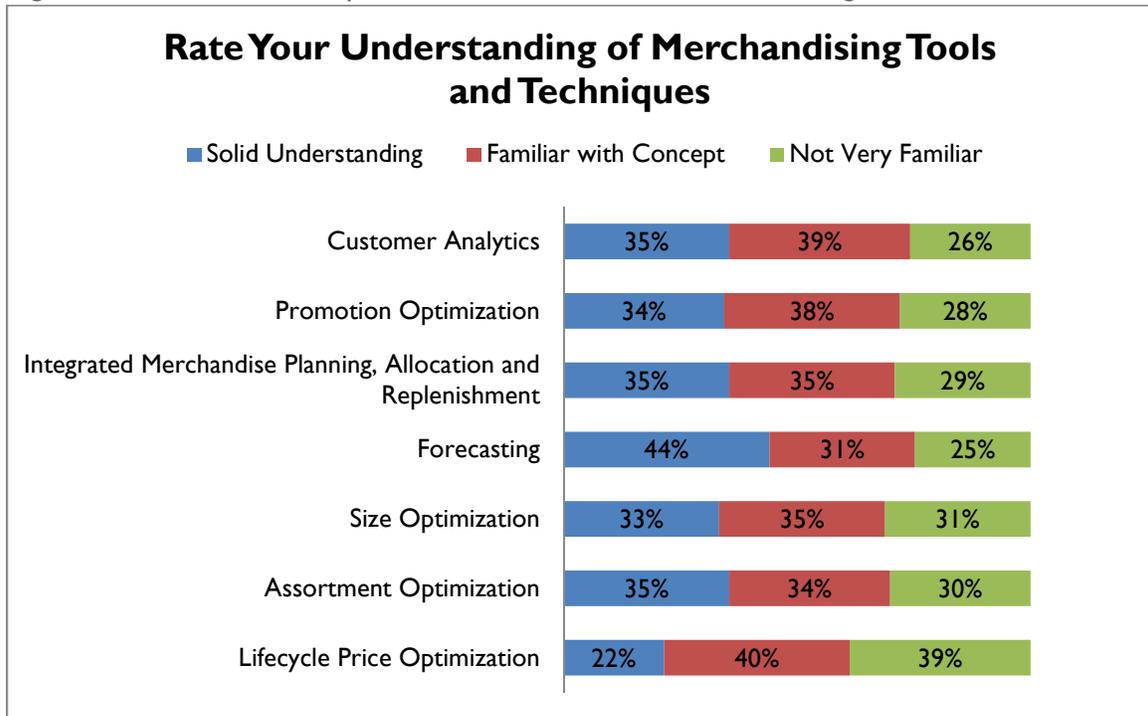
There are some significant regional differences. With the exception of Retail Forecasting, which was rated highly even more frequently by our European and United Kingdom respondents, US retailers are far more likely to recognize the value of new merchandising technologies.

The Knowledge Gap Continues

As success stories around new merchandising tools and techniques continue filtering out into the world through sessions at events like the NRF Big Show and other conferences, reports, and even quarterly earnings calls, we expect global awareness to grow.

However, it takes longer than a brief mention or an hour's presentation to develop a solid understanding of anything. And so the understanding of these tools and techniques continues to languish in the realm of "familiarity" even in the US, where clearly they've become part of the Merchant's vernacular (Figure 2).

Figure 2: Can You Really Understand a Tool Without Using It?



Source: RSR Research, February 2015

For example, almost three-quarters of retailers consistently rate Retail Forecasting as very important to their retailing success, yet less than half have a solid understanding of it. Further, while two-thirds of respondents say the same about Customer Analytics, just slightly more than one third report a solid understanding of the tool.

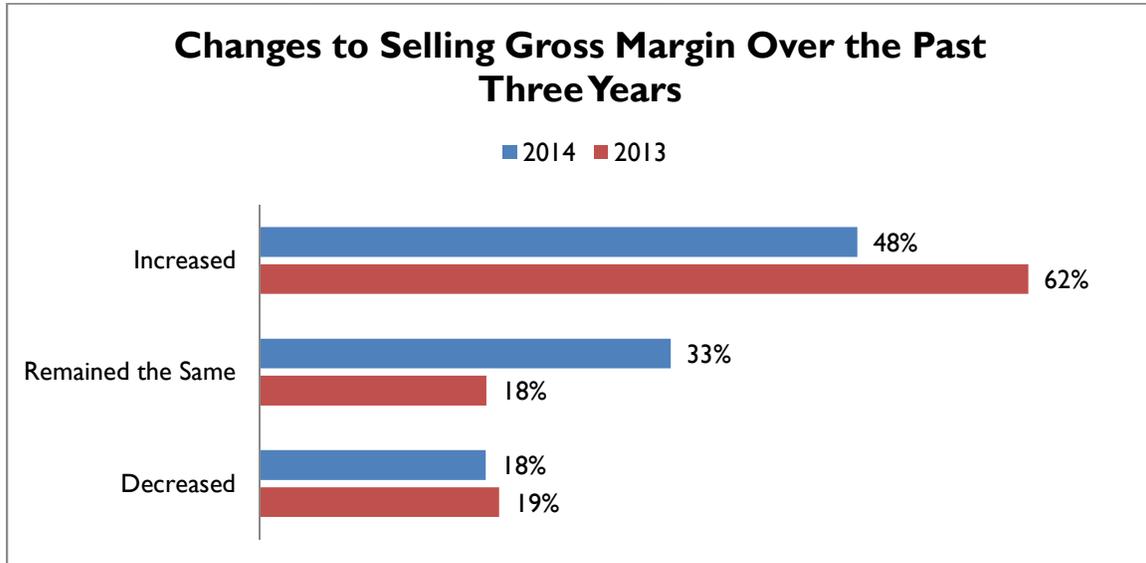
This remains worrisome. It may be indicative of what we've come to call "Magic Bullet Syndrome", Retailers can believe that the latest technology alone will overcome their business challenges. In the face of continued competitive pressures and consumer ennui at many product offerings, do retailers think science alone will solve their problems? We hope that isn't the case.

The knowledge gap in understanding these tools and techniques, and the perception that they might become a Magic Bullet is all the more important given slowing improvements in gross margin.

Gross Margin Starts to Flatten Out

As we predicted last year, the gross margin improvements retailers have enjoyed in the era of Low Cost Country Sourcing are starting to wane (Figure 3).

Figure 3: Gross Margin Improvements Winding Down



Source: RSR Research, February 2015

Retailers selling Durable/Hard Goods and Basics/Replenishment items in particular have seen their margins flattening, with 43% and 41% respectively reporting they remain the same.

The largest retailers, those with the most influence over suppliers, have continued to enjoy increases. Fifty-six percent of retailers with more than \$5 billion in annual revenue report increases, vs. approximately 45% of all other retailers.

Looking at the results by region, we found that US-based respondents are out-performing their European and English counterparts on gross margin. Fifty-nine percent of US retailers report continued increases vs. 39% of European respondents. No doubt the serious economic conditions in Europe are constraining purchases, while the weakening of other currencies against the dollar presents unique opportunities for US retailers buying product from abroad.

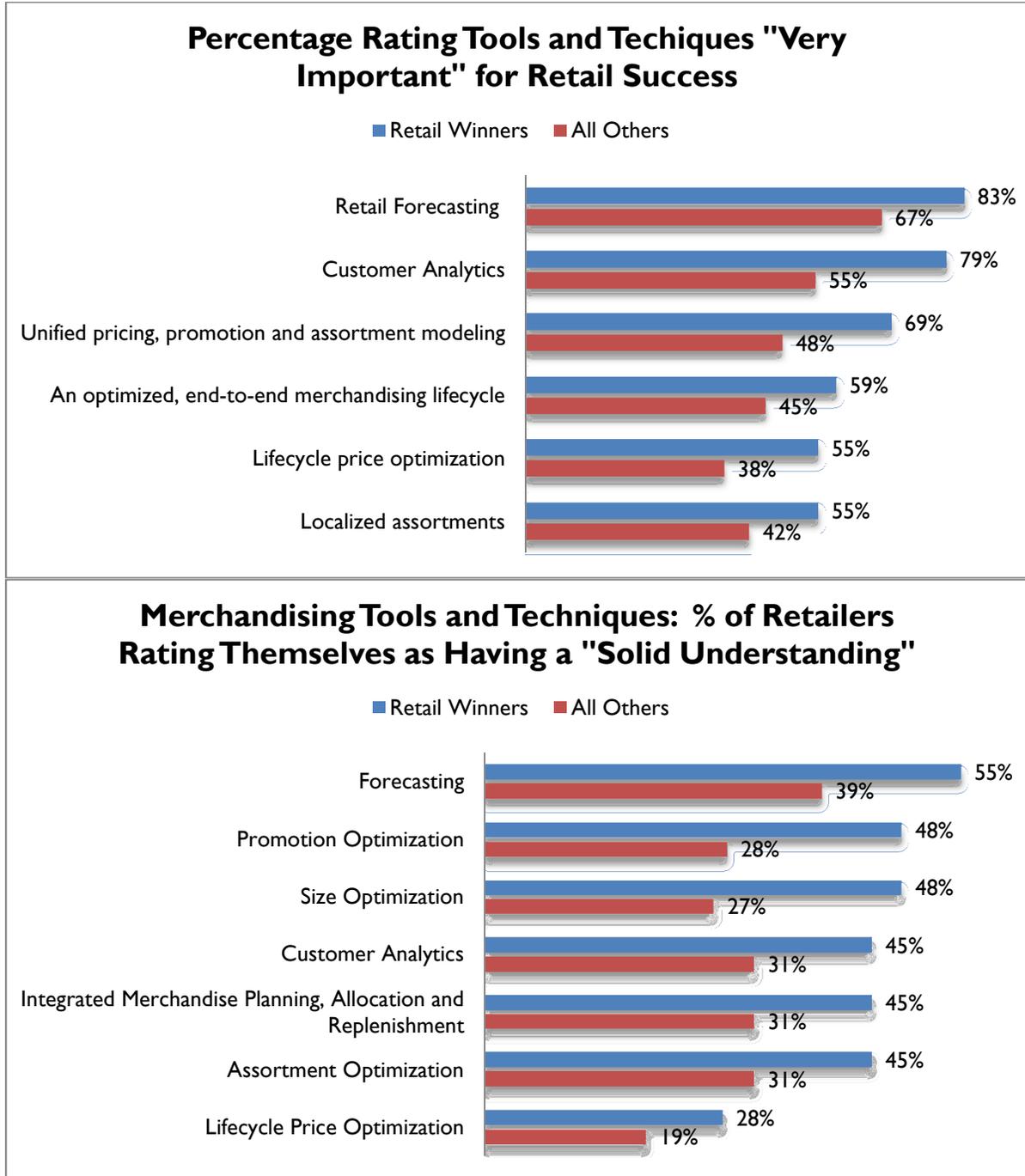
Retail Winners Pressing Their Advantage

RSR's research always focuses on a category of retailers we call "Retail Winners". Our definition of Retail Winners is straightforward. We judge retailers by year-over-year comparable store/channel sales improvements. Assuming industry average comparable store/channel sales growth of **3.5 percent**, we define those with sales above this hurdle as "Winners," those at this sales growth rate as "average," and those below this sales growth rate as "laggards" or "also-rans."

Focusing on Winners' perception is always interesting. It turns out that Winners don't merely do the same things better, they tend to do different things. They think differently. They plan differently. They respond differently.

To illustrate this point, let's take another look at the data we presented at the beginning of this report: perceived importance of retail technologies, and their understanding of those technologies (Figure 4)

Figure 4: Winners Far More Likely to "Get it"



Source: RSR Research, February 2015

Overall we find Retail Winners both with a greater appreciation for and a better understanding of the tools and techniques of the merchandising trade. This helps ensure that they stay ahead of the merchandising curve.

Methodology

RSR uses its own model, called the BOOT[®], to analyze Retail Industry issues. We build this model with our survey instruments. [Appendix A](#) contains a full explanation of the methodology.

The BOOT Methodology[®] helps us better understand the behavioral and technological differences that drive sustainable sales improvements and successful execution of brand vision.

Survey Respondent Characteristics

RSR conducted an online survey from October 2014 – January 2015 and received answers from 93 qualified retail respondents. Respondent demographics are as follows:

- Job Title:

Senior Management (CEO, CFO, COO)	18%
Vice President	7%
Director/Manager	24%
Internal Consultant	11%
Staff &Other	41%

- 2013 Revenue (US\$ Equivalent)

Less than \$50 Million	13%
\$50 - \$249 Million	5%
\$250 - \$999 Million	15%
\$1 - \$5 Billion	39%
Over \$5 Billion	29%

- Products sold:

Fashion / Short Lifecycle	30%
Seasonal	13%
Basics/Replenishment Goods	29%
Durable/Hard Goods	15%
Perishables	13%

- Retail Headquarters/Retail Presence :

	Corp HQ	Presence
USA	55%	65%
Canada	1%	25%
Latin America	2%	14%
UK	26%	42%
Europe	10%	31%
Middle East	1%	14%
Africa	1%	4%
Asia/Pacific	4%	24%

- Year-Over-Year Sales Growth Rates (assume average growth of 3.5%):

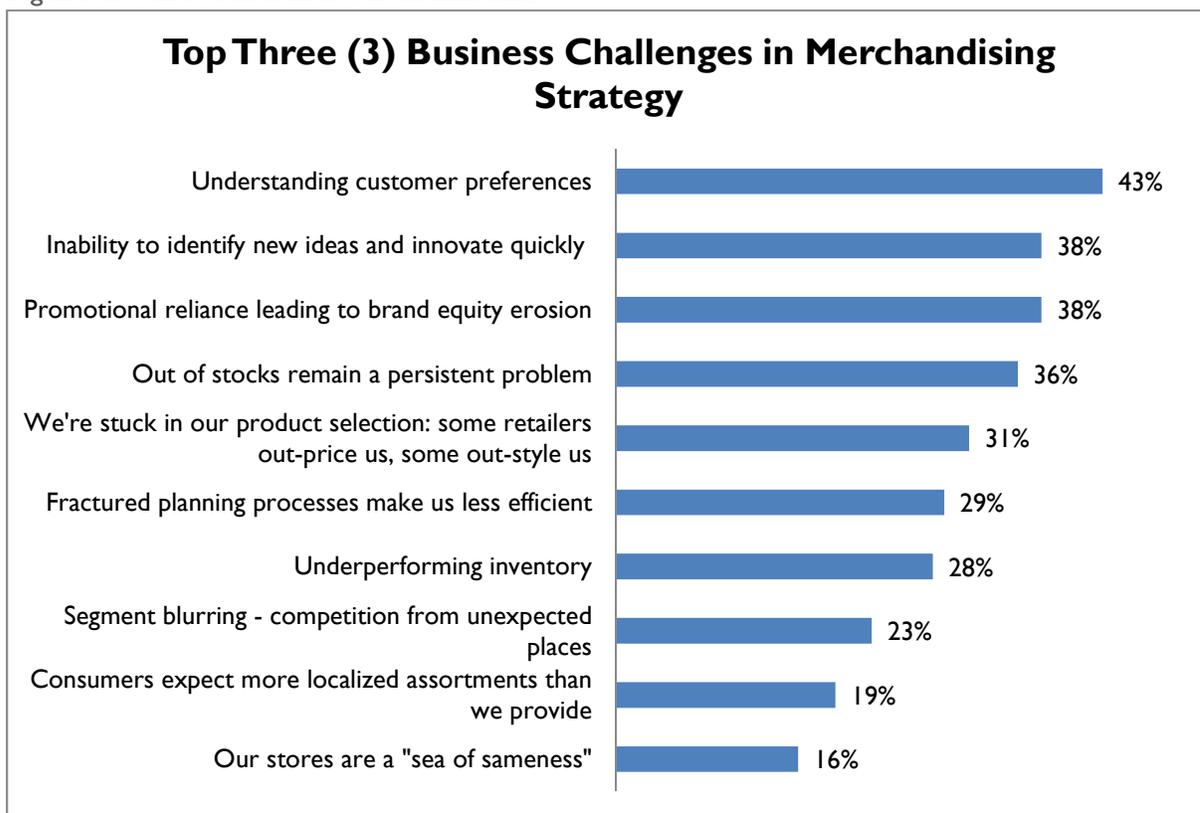
Better than average (Winners)	31%
Average	51%
Worse than average	18%

Business Challenges

The Customer Is Still Driving the Bus

RSR partner Nikki Baird is fond of saying “Retailing is no longer about what you want to sell. It’s about figuring out what the customer wants to buy.” This statement was core to RSR’s founding hypothesis and remains so to this day. While we saw a surprising surge in concern over underperforming inventory in 2012 and 2013, this year it dropped back below out-of-stocks as a frequently cited top-three Business Challenge. Satisfying today’s technology-enabled and more demanding customer is once again top-of-mind in the retail industry (Figure 5).

Figure 5: The Customer In Command



Source: RSR Research, February 2015

However, there are some very telling differences between Winners and laggards. Some are to be expected and are likely the result of poor performance, others are unexpected, and may well be the *cause* of poor performance.

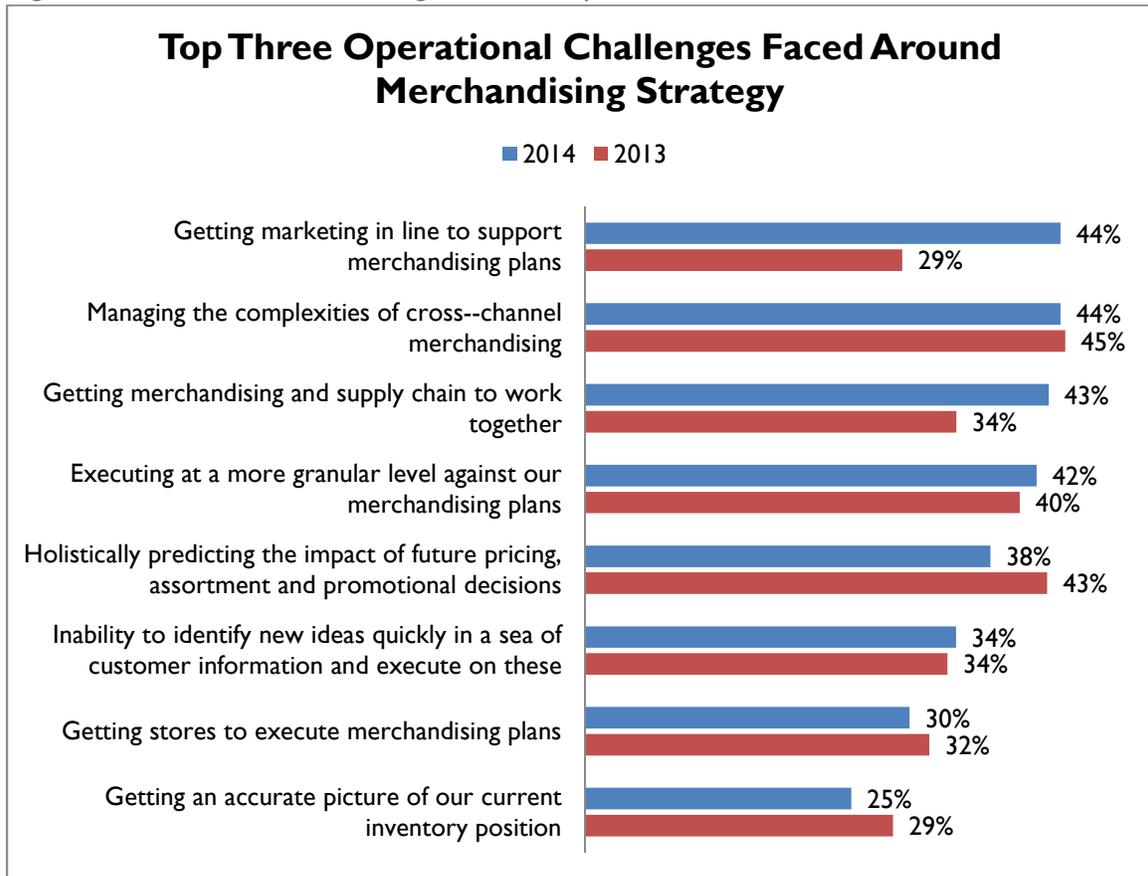
- *Non-winners are far more concerned about their product mix.* Thirty-eight percent cite problems in product selection as a top-three challenge vs. only 17% of Retail Winners
- *Non-winners believe their assortments aren't tailored enough.* Twenty-three percent report consumers expect more localized assortments than they can provide, vs. only 10% of Retail Winners.
- *Retail Winners worry far more about out-of-stocks than other retailers.* Forty-one percent cite this as a top-three business challenge vs. only 22% of other retailers.

- *Retailer Winners worry more about organizational disconnects than other retailers.* This has been consistent for several years. Forty-five percent of Winners cite fractured planning processes as a top-three business challenge vs. only 22% of all other retailers. We will see below just how appropriate a concern this is.

Selling Merchandise vs. Selling a Brand

The emergence of Marketing in retail has been documented by RSR and others, and is well-known. The impact of that shift cannot be overstated. Merchant Princes have been usurped by Brand Masters. And so we can see a dramatic increase in the percentage of retailers citing disconnects between the two departments (Figure 6).

Figure 6: Businesses Challenges Drive Operational Issues



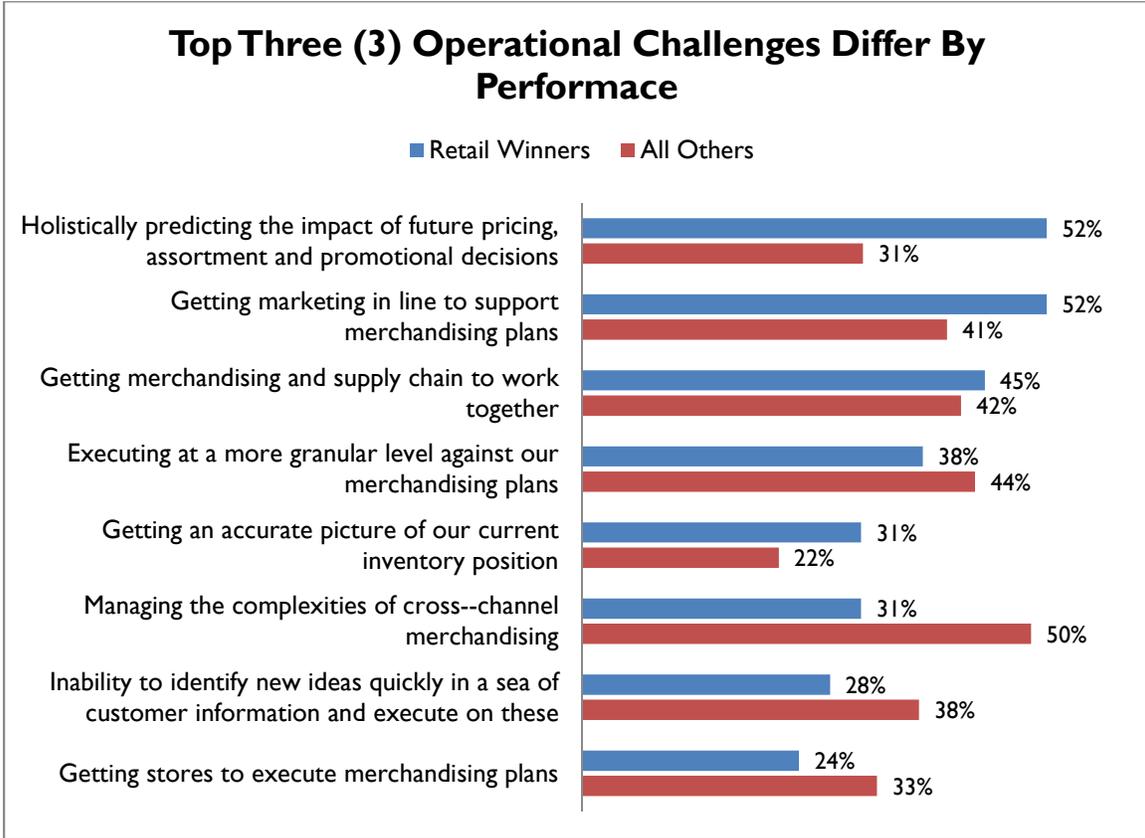
Source: RSR Research, February 2015

While some observers may find this ironic (after all, the Merchant Prince certainly had his day), more thoughtful observers will recognize just how big the problem is. Marketing creates a brand promise. In the 21st century, that brand promise is delivered across an ever-growing number of product information channels.

Merchants, on the other hand, are there to deliver the right *product*, while Stores and Supply chain ship the goods and present it properly. *Any break in the chain will create the very consumer dissatisfaction retailers worry about when they speak of business challenges.* It's imperative for these organizations to “de-silo” and return to a holistic model of retailing. As we'll see further along in this document, organizational barriers prevent this return.

Notwithstanding these issues, it's worthwhile to take a look at the different operational challenges faced by Retail Winners and their peers.

Figure 7: Retail Winners Face Very Different Operational Concerns



Source: RSR Research, February 2015

Winners are less concerned about cross-channel merchandising in general and more concerned with a holistic view of the business: both in the impact of the decisions they make and in getting marketing to work with merchandising. They do exhibit more concern about getting a better picture of current inventory to help alleviate the out-of-stock problems they fear.

Other retailers show us the mirror-image of their inability to identify new ideas in a sea of information. They appear to be on information overload, and lack the coherence needed to move forward.

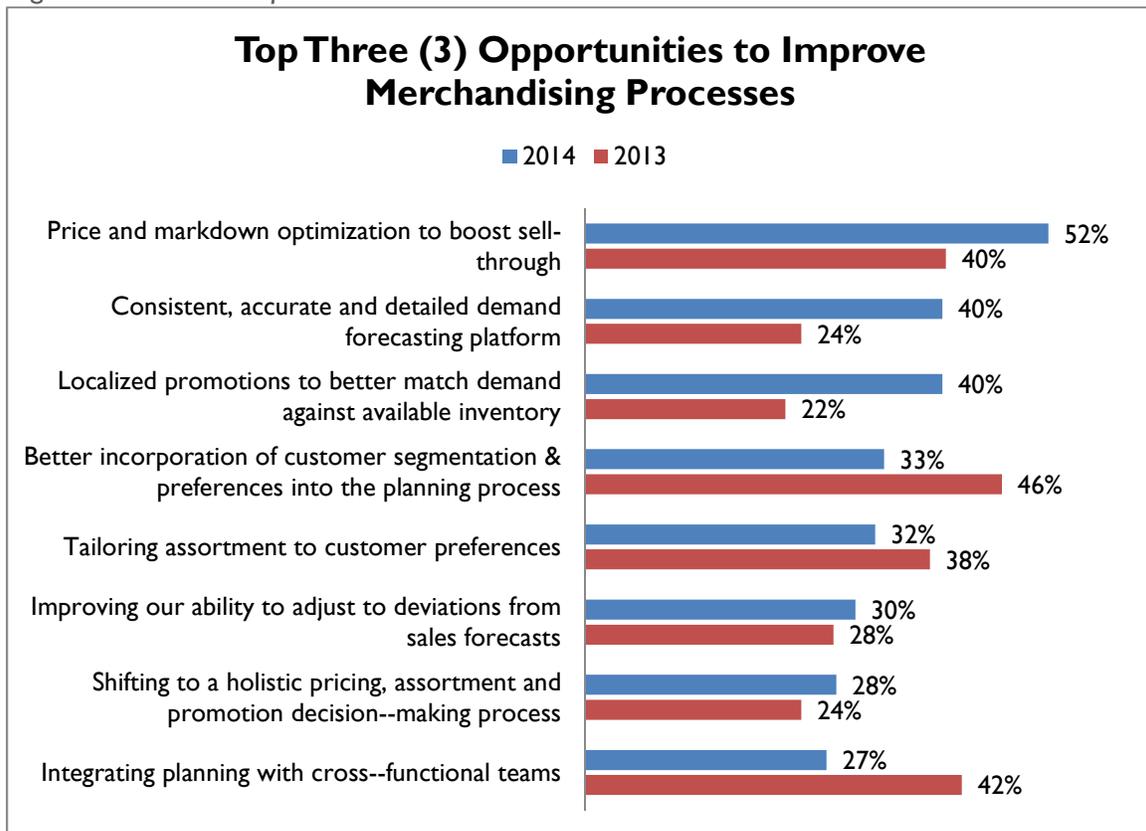
In the next section, where retailers identify their most important opportunities, we'll see just how fundamental the organizational disconnects identified here are. In fact, it gives us pause, as we wonder if they'll find a way to actually get beyond them.

Opportunities

Opportunities Seen, Opportunities Missed

In the Business Challenges section of this document, we learned that departments within the retail enterprise don't work together very well at all. Marketing, Supply Chain and Stores seem to work at cross-purposes with Merchandising. So logically, we expected to see "Integrated planning with cross-functional teams" high on retailers' lists of opportunities to improve. But this is not the case. In fact, the number of retailers citing this as a top-three opportunity dropped by over a third compared to the prior year's study (Figure 8). This is consistent across all geographies, revenue bands and retail sub-verticals.

Figure 8: An Enterprise That Remains Siloed



Source: RSR Research, February 2015

This is not to say that the choices made by our respondents are unimportant – they do merit separate consideration – but we have to wonder how any of them can be addressed without consensus and coordination across departments.

Price Remains Hot, Customer Segmentation, Not So Much

Retailers continue to be enamored with using price as a primary merchandising lever. The number looking to improve sell-through with both optimization and localization technologies continues to rise.

At the same time, the bloom seems to be falling off the “customer segmentation as part of planning” rose – respondents citing this as a top-three opportunity dropped by 29%, to 33%. Even the percentage citing interest in tailoring their assortments to customer preferences dropped.

RSR believes that actually confronting the complexities of adding customer data into the planning mix has driven retailers away.

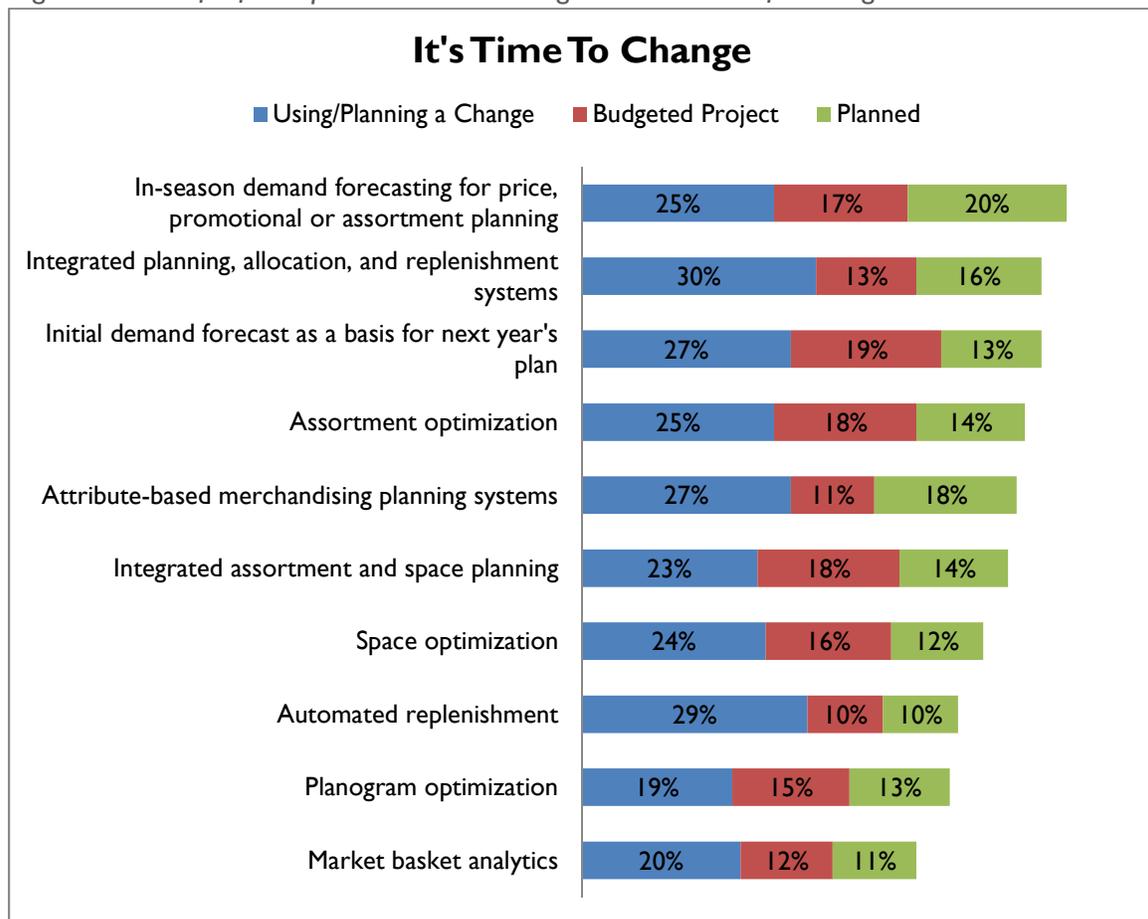
It’s Time for a Change, for Old and New Technologies Alike

While some merchandising technologies are relatively new, others are quite mature. For example, IBM introduced the Inforem replenishment application (now part of the JDA portfolio) in the 1970’s and it is still in use today. New planning solutions available today offer rich capabilities, but many retailers have not have changed their processes to take best advantage of them.

It’s interesting to note that Retail Winners tend to be more satisfied with the technologies they have in place: in general approximately half report they have implemented them and are satisfied. All other respondents recognize they’ve got a problem. On average only about 20-25% of respondents have the same confidence level in their Merchandising technology portfolios.

In aggregate, other retailers believe implementing or re-implementing these technologies will help them catch up, or even leapfrog Retail Winners (Figure 9).

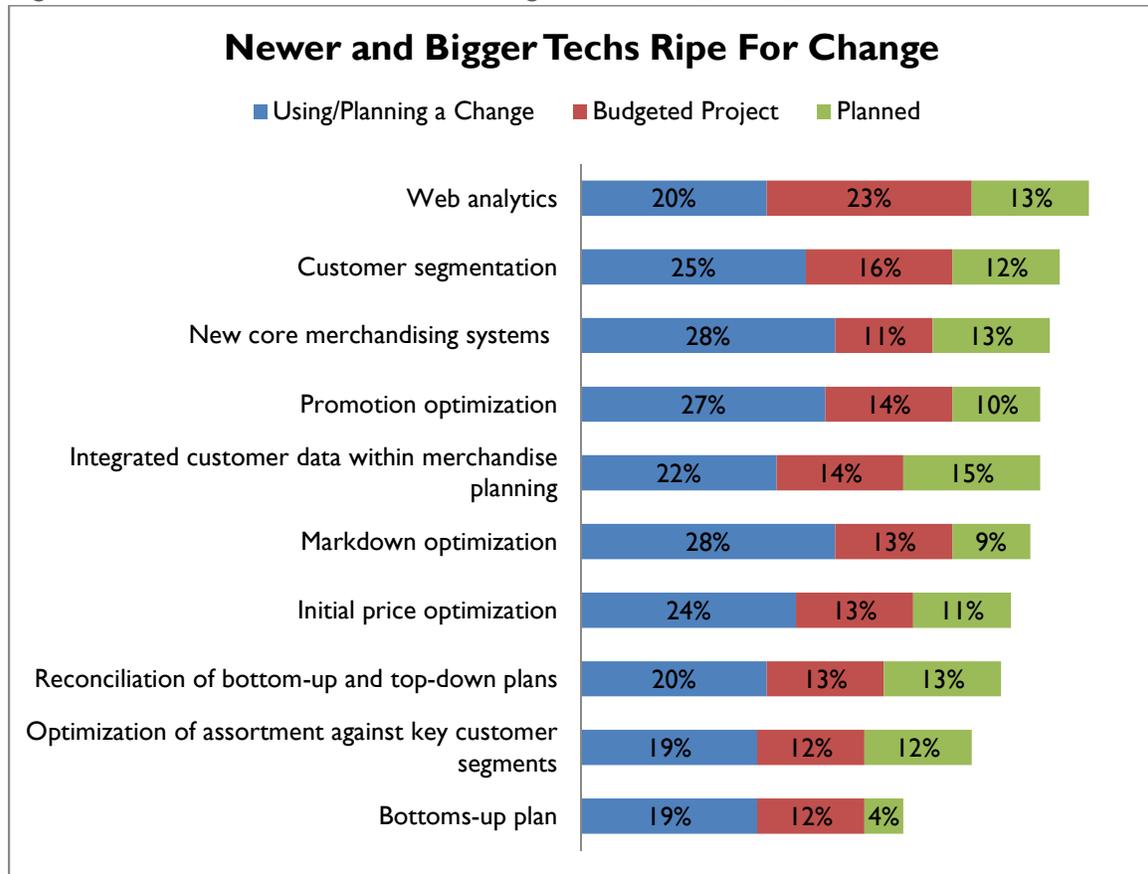
Figure 9: Half of Respondents Planning Some Kind of Change



Source: RSR Research, February 2015

But as the pace of technology change accelerates, even technologies considered “modern” are candidates for change. As we’ll see in Figure 10, while some are still planning their first round of implementation, others are looking for a refresh.

Figure 10: Even “Modern” Technologies in Line for Refresh



Source: RSR Research, February 2015

A Refresh of Core Merchandising Systems on the Horizon

Certainly “core merchandising systems” are not new. But historically they have been either homegrown or very heavily customized commercial applications. Changing them is no small task, and requires extensive mapping of processes and business rules. Given the complexities involved, it is significant that almost half of our retail respondents are getting ready to undertake this task.

RSR believes the thought process behind these changes revolve around integration. The challenge to integrate new technologies into an archaic base is slowing down the entire enterprise. We applaud the decision to create a more solid and extensible foundation but also caution retailers to recognize the amount of work it takes to get this type of job done.

The organizational disconnects retailers identify tend to be intertwined with their old idiosyncratic merchandising systems. A massive change creates the risk of enterprise paralysis. It’s easy to blame the technology provider when this happens, but in fact, it is caused by pre-existing organizational dysfunction.

This is most important to understand, since the largest enterprises are those most likely to be planning change. ***Forty-four percent of retailers with annual revenue of \$1-5 billion and 26% of those with revenue above \$5 billion report they are in this state.*** This is the moral equivalent of replacing a battleship engine while on the high seas. It's a necessary big job.

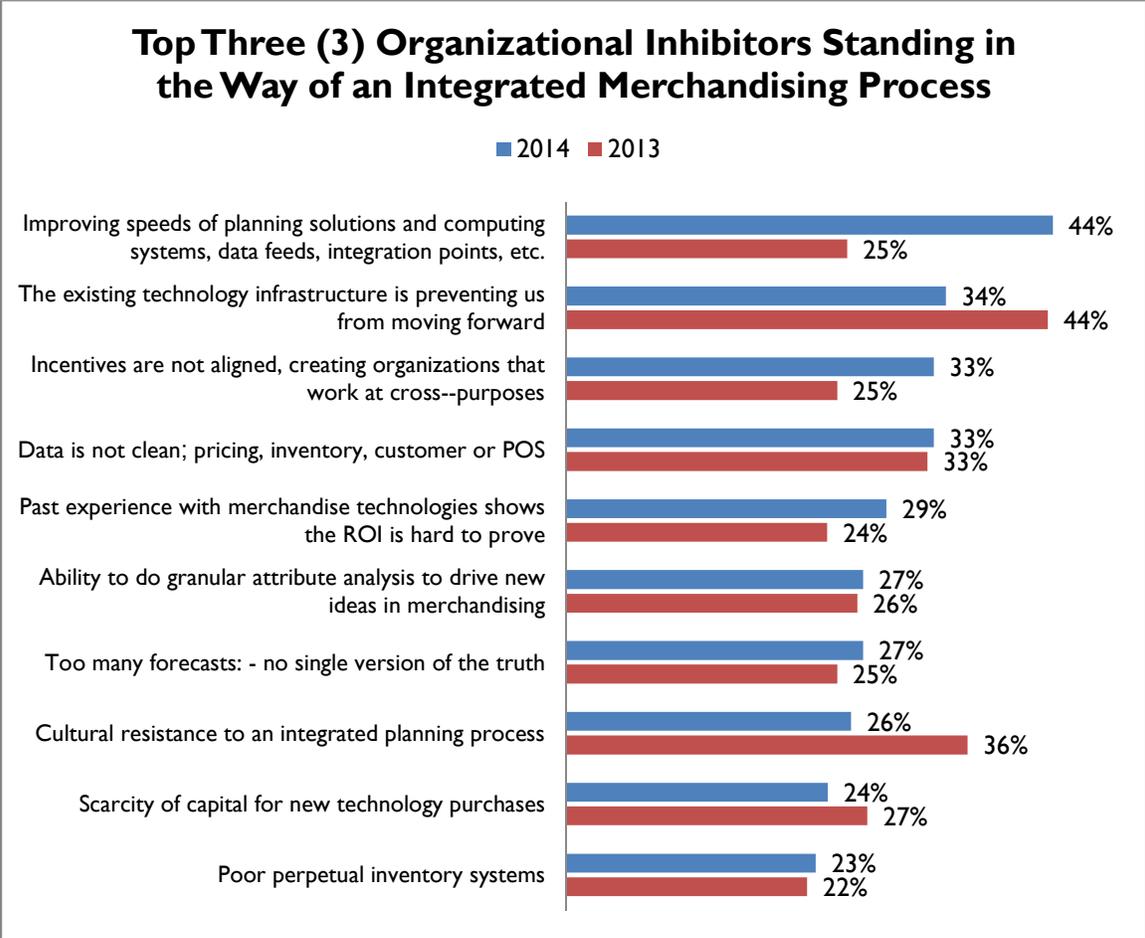
And in that context, we'll take a look at the specific organizational inhibitors retailers cite in improving their merchandising processes.

Organizational Inhibitors

Caution: Trouble Ahead

We've already seen the departments that need to be in line most when it comes to merchandising – Marketing, Supply Chain and Stores are working at cross purposes. Retailers are aware of this, yet so far, they have been unable to remedy the situation. With this reality looming, all other inhibitors become just *that* much more daunting, and we are not surprised to see retailers looking outside of their organization for help more frequently. As evidenced in Figure 11, retailers increasingly hope that technology – and the people who provide it – can help ease their pain: improving speeds of planning solution and computing systems, data feeds and integration points is now their number one inhibitor.

Figure 11: Inside Looking Out



Source: RSR Research, February 2015

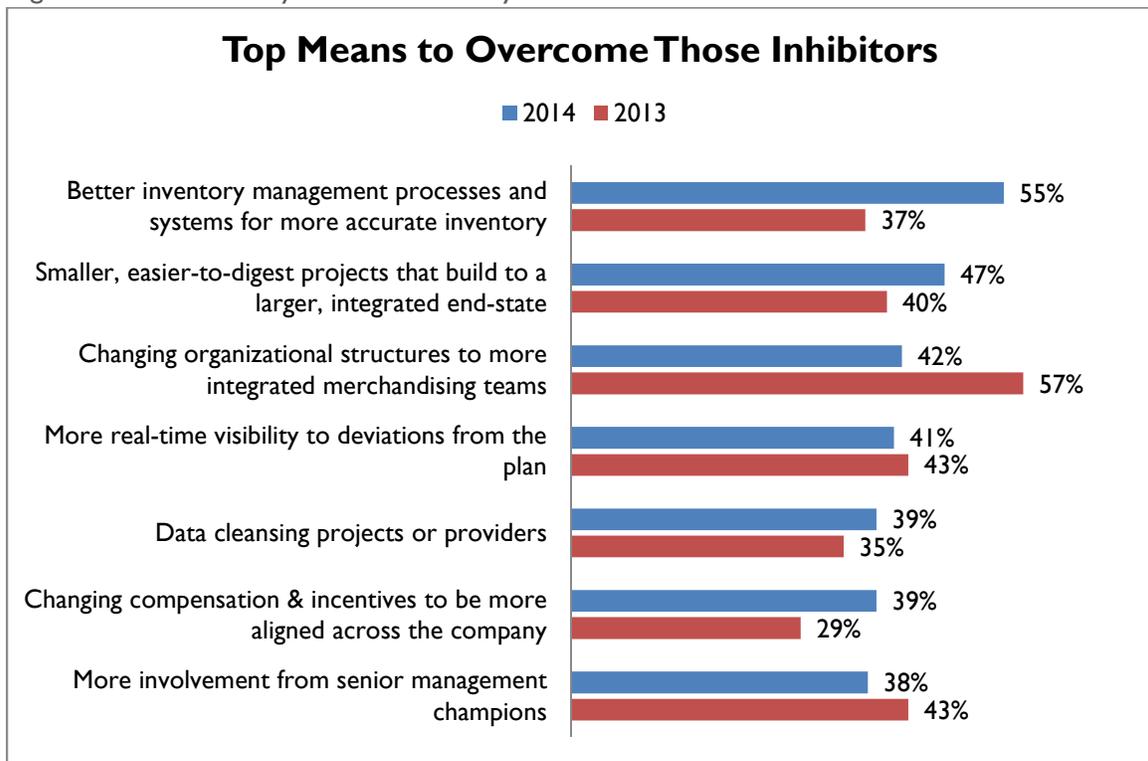
Unfortunately, as we've discussed since our company's inception, it just doesn't work this way. While technology plays a vital role in pushing the industry's ability to, in this case, *merchandise* better, all the speed and technical capability in the world won't help a retailer whose internal processes are not in place. For this reason, it is worth nothing how differently Retail Winners perceive their roadblocks:

- For starters, Retailer Winners are much less likely to report that their existing technology infrastructure is preventing them from moving forward (24% of Winners cite this is a top inhibitor, compared to 39% of all other retailers). This is a prime indicator of how Winners view the world. One, they have likely made greater inroads in shedding legacy systems that won't work and play well with a new generation of merchandising tools. But more important, even when they haven't, they are less likely to blame the technology for their problems. They continue to accept accountability for their own situations, something laggards rarely do.
- Winners understand that their perpetual inventory systems aren't yet ready for new tasks (31% vs. 19% of all others). This is a specific component that they know – full well – is the cornerstone to understanding exactly what is going on throughout the entire demand chain. They aren't saying "Technology come save us," but rather, "We know what we don't know."
- Interestingly, no real difference exists between Winners and their peers in trusting the pricing, inventory, customer or POS data that they currently receive. Everyone is in the same boat here.

The Way Out?

In aggregate, retailers' interest in getting a handle on their inventory management processes has seen a significant jump in the past 12 months (Figure 12). This is good news: retailers are starting to follow Winners' lead, acknowledging that inventory accuracy is the lynch pin to confidently putting a more relevant product mix in front of the consumer. However, *we cannot overstate how important it is to get the appropriate internal personnel on board across departments to make the most of even this fundamental building block.*

Figure 12: Inventory Holds The Key?

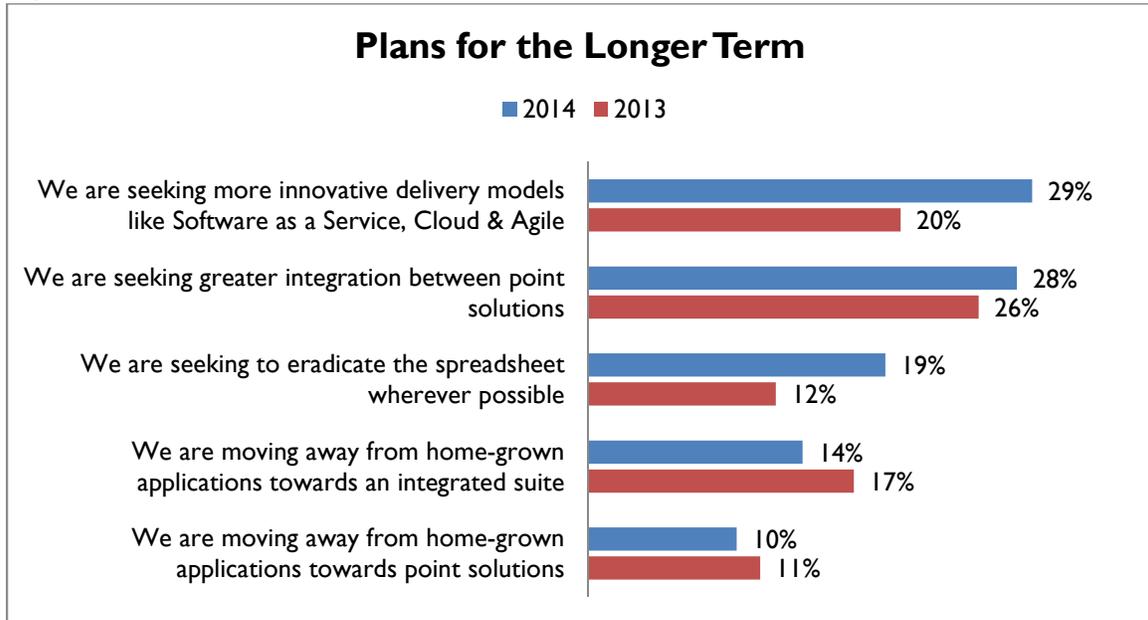


Source: RSR Research, February 2015

What Happens Next?

When retailers do get specific about what they'll be looking for in the future, their answer is clear. Gone are the days when organizations hoped to build their own customized merchandising solution. In fact, it's not that they just don't want to build it, increasingly they don't even want to host it; more retailers want a hosted merchandising solution that is delivered via Software as a Service from the cloud (Figure 13).

Figure 13: Do It For Me!



Source: RSR Research, February 2015

This is one area where the rest of the industry is in total lockstep with the best performers. In fact, the only real difference between Winners' view of the future and that of their underperforming peers is that laggards are far more likely (23%) to report that their long-term goal is to eradicate the spreadsheet wherever possible (only 10% of Winners cite this as an objective). All this tells us is that Winners have already done the legwork to get past a spreadsheet-based merchandising system.

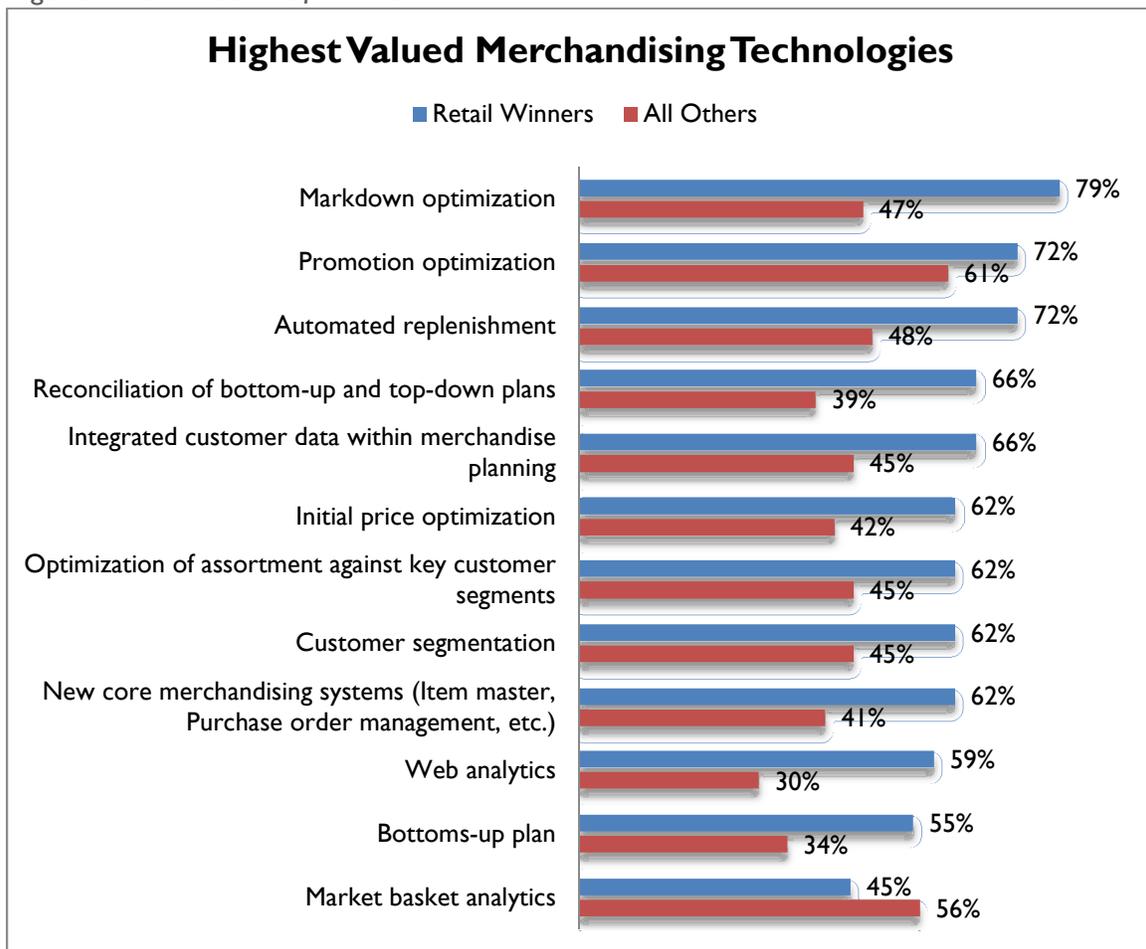
Now let's find out the ways technology can help.

Technology Enablers

A Voracious Appetite

As we've seen in the Opportunities section of this report, retailers are hyper-aware that many of the legacy technologies they've been using for years are in dire need of a refresh. However, some very interesting things emerge when we look at just **how** differently the best performers view merchandising technologies **in the first place**. It is quite staggering, in fact, just how much more value they find in these tools – even the oldest of them – and their ability to help put a relevant product mix in front of the consumer (and at the highest margin possible – Figure 14).

Figure 14: A Team of MVPs



Source: RSR Research, February 2015

What makes this data all the more compelling is that when compared to the overall response pool, **those whose sales are already performing best are the only ones who see the light**. Consider the following points as they relate to movement from last year to today:

- The overall response group's interest in web analytics is falling off the table (39% this year compared with 47% last year). The fact that 59% of Winners see this as a highly valuable technology set should be a *serious wakeup call* for average and lagging retailers.

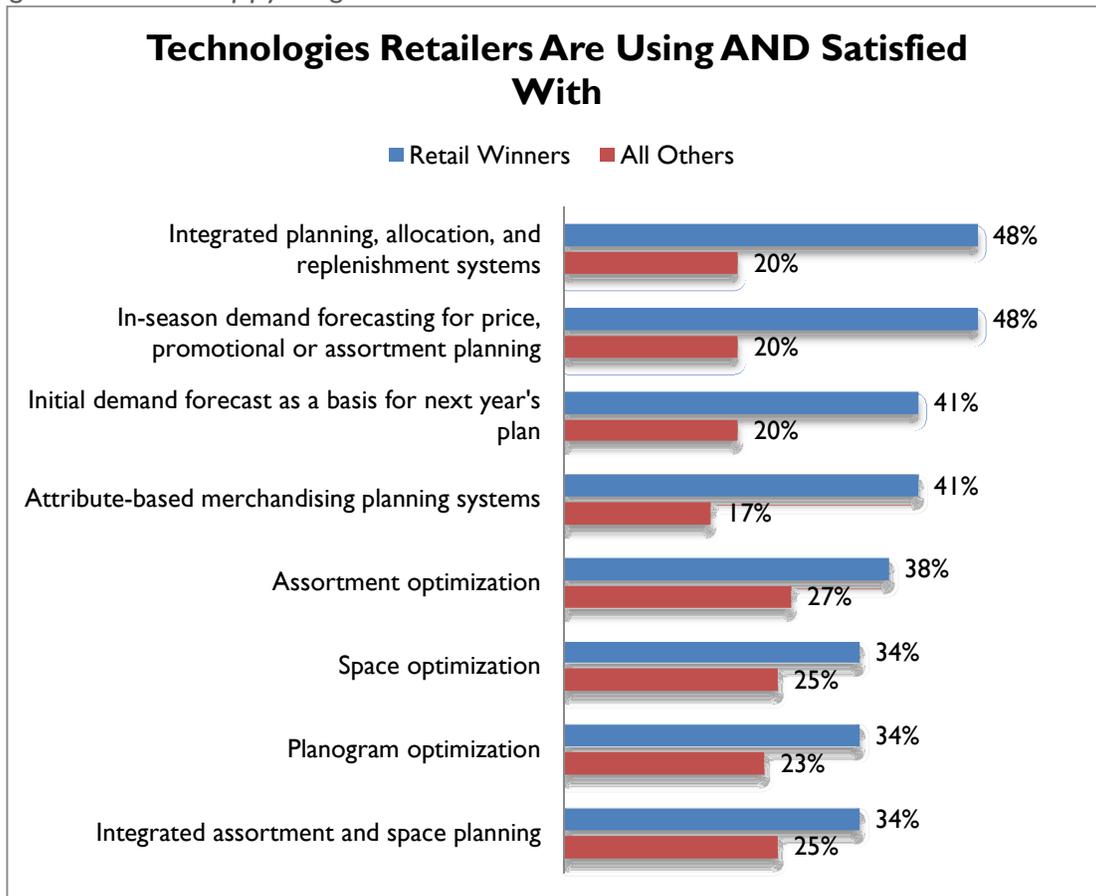
- The aggregate response pool's interest in optimization of assortment against key customer segments has also fallen: from 63% in 2013 to 51% today. Yet Winners' attentiveness to gathering as much information from web activity as possible is climbing every day. This is no happy accident.
- In fact, of the myriad options we provided, only two have gained favor among the general response pool. The first is **optimization of assortment against key customer segments**; 53% cited it as having high value last year, compared to 65% today. And still that number trails Winners' growing interest (72%, pictured above.) The other is **markdown optimization** (up to 57% among the aggregate from 50% last year). But that statistic absolutely pales in comparison to the 79% of Winners who see Markdown Optimization as a way to maximize any mistakes that invariably occur within their product mix as being vitally important. For Winners, it is the single most valuable tool in their merchandising arsenal.

The long and the short it is that if more merchants don't follow Winners' lead - or at least *interest* in these trends, the gap between the haves and have-nots will only continue to grow, and likely at an accelerated rate.

On The Road To Market Domination

So what are the technologies these leaders are most satisfied with? Figure 15 paints a very clear picture.

Figure 15: So Happy Together



Source: RSR Research, February 2015

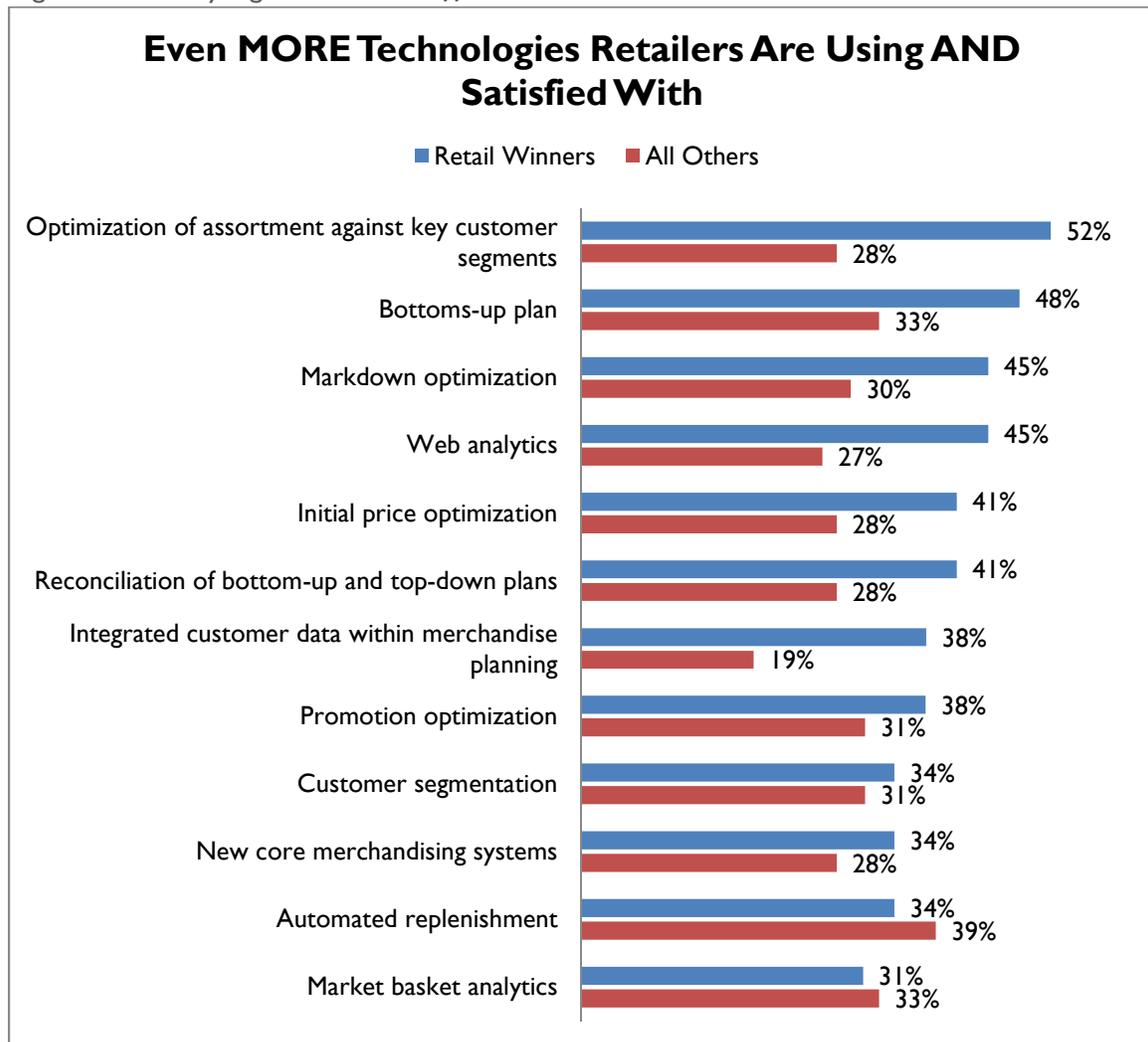
Despite their hunger for more modern and technologically-capable versions of the above options, Winners *like* the path they are on. They know more about the products they sell, more about how to arrange them in stores, how to price them, how to replenish the ones that *do* sell and how to plan for the future. And moreover - they know it.

It doesn't stop there.

A Trend Compounds

As if we needed further proof of the different path Retail Winners are on, Figure 16 serves as a stark reminder of just how different their perception of the merchandising game really is. In general, they're far more satisfied with their existing technologies.

Figure 16: Playing a Whole Different Game



Source: RSR Research, February 2015

One of the only areas where Winners *are* planning a change, however, is around market basket analytics. In the bottom-most part of Figure 16 we see Winners are slightly less satisfied with these tools than their average and underperforming peers. In fact, as we saw in the Opportunities

section of this report, market basket analytics rounded out the field of technologies due for a change.

At the end of the day, Retail Winners are playing in a completely different merchandising league. Between their perception of the current consumer, their ability to size up the challenges of providing that consumer with a more relevant product mix, their willingness to get past the internal strife they currently face on a day to day basis and the faith they put in current – and future – technologies to help get them there? It's not even a question of why they are already winning.

The question is whether average and struggling retailers can crib the necessary pages out of their playbook in time.

BOOTstrap Recommendations

It's Time To Return To A Holistic Enterprise

While it's encouraging to see retailers recognizing the value of technology: either through refreshes or simply bringing new technologies in the door, we are extremely concerned about the environment these technologies are being brought into.

It's not reasonable to presume continued success in a fractured enterprise, even with holistically-oriented tools. At best, it's inefficient. At worst, it's a prescription for failure. We present the following recommendations for steps to take as soon as possible, especially if your enterprise is contemplating a full technology refresh.

Recognize The Cultural Impact Of New Technologies

The more we learn about what new technologies can do, the more it becomes apparent that a culture shock is coming. Particularly when dealing with core merchandising systems, the number of idiosyncratic and undocumented organizational responsibilities and behaviors can be staggering. So the first step is definitely recognition: Culture shock is coming.

Document the "Is"

Whether through consultants or with internal staff, it's important to perform the not-so-exciting, yet critical task of documenting how things are done today. This is an organization's best hope in minimizing organizational disruption when any new merchandising technology is implemented. It will also help in identifying needed changes in processes that might have otherwise been missed.

Iron Out Organizational Differences and Disconnects

The data in this report tells us that different departments remain disinclined to work together. Unfortunately, that's just not going to stand in an omni-channel world. Disconnects are toxic to the enterprise and don't help managing customer expectations. Marketing creates a brand promise. Product drives the potential of fulfilling that brand promise, but without execution in the supply chain and stores, that promise will be broken.

Plan Carefully for All Technology Implementations

A step-wise approach is always best. We know that the era of five year enterprise transformations are far behind us. Still, it takes time to get it right. Once the "is" is documented, and organizational disconnects are sorted out, the enterprise is theoretically ready for something new. The first step is to document the "Will be" state, and get concurrence from all affected parties. Only then can an enterprise move forward with even point solutions.

It's Imperative to Create and Manage Cross-functional Teams

We are dismayed by the lack of interest in Integrated Planning with cross-functional teams. We know of no way an omni-channel retailer can succeed for long without it. The company may enjoy top-line sales, but maximizing the bottom line can only occur as a group.

Evaluate the Best Uses of Customer Data

It may well be that the industry has overestimated the value of what is generally called "big data." While creating a fourth planning dimension that allows inclusion of direct customer insights, it may well be that this is unnecessarily granular. Still, customer data does add value to the enterprise.

Merchandising and marketing organizations alike should discuss what kinds of customer data really do add value to the enterprise, and plan accordingly. It may well be that segmented marketing and promotions are the best applications, while the gut feel of the merchant may be the best way to actually select which products to sell.

As we said earlier in this document, retail is no longer about what you want to sell, it's about what shoppers want to buy. Analytics may help quantify the "how much" and the "where to put it," but it's going to take real interaction between merchants and shoppers to figure out the "what."

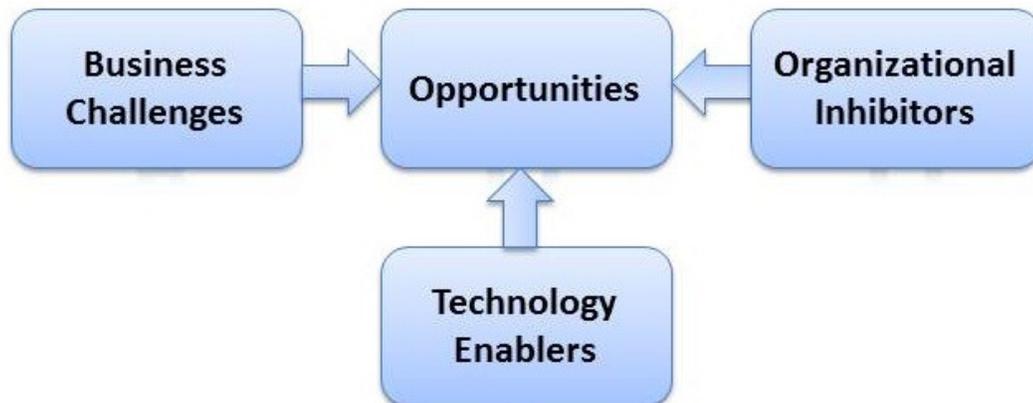
That's the best possible future for merchandising.

Appendix A: RSR's Research Methodology

The "BOOT" methodology is designed to reveal and prioritize the following:

- **Business Challenges** – Retailers of all shapes and sizes face significant **external** challenges. These issues provide a business context for the subject being discussed and drive decision-making across the enterprise.
- **Opportunities** – Every challenge brings with it a set of opportunities, or ways to change and overcome that challenge. **The ways retailers turn business challenges into opportunities often define the difference between Winners and "also-rans."** Within the BOOT, we can also identify opportunities missed – and describe leading edge models we believe drive success.
- **Organizational Inhibitors** – Even as enterprises find opportunities to overcome their external challenges, they may find **internal** organizational inhibitors that keep them from executing on their vision. Opportunities can be found to overcome these inhibitors as well. Winning Retailers understand their organizational inhibitors and find creative, effective ways to overcome them.
- **Technology Enablers** – If a company can overcome its organizational inhibitors it can use technology as an enabler to take advantage of the opportunities it identifies. Retail Winners are most adept at judiciously and effectively using these enablers, often far earlier than their peers.

A graphical depiction of the BOOT follows:



Appendix B: About RSR Research



Retail Systems Research (“RSR”) is the only research company run by retailers for the retail industry. RSR provides insight into business and technology challenges facing the extended retail industry, providing thought leadership and advice on navigating these challenges for specific companies and the industry at large. We do this by:

- **Identifying information** that helps retailers and their trading partners to build more efficient and profitable businesses;
- **Identifying industry issues** that solutions providers must address to be relevant in the extended retail industry;
- **Providing insight and analysis** about a broad spectrum of issues and trends in the Extended Retail Industry.

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