Connected Retail: You’re Not Allowed to Do Nothing

by Andrew Timm

A major theme at NRF this year was the Internet of Things (IoT). The show floor was packed with booths showcasing beacons and talking about how retailers can be more “connected,” “intelligent,” and “smart.” The number of companies sprouting up with products intended to better connect retailers with consumers is overwhelming. Whether you are already implementing these ideas or are still trying to understand where to start, here are some recommendations.

You’re Not Allowed to Do Nothing

It doesn’t matter if we’re talking about omnichannel, the front end of innovation, product curation, beacons or the Internet of Things. Bottom line is that it’s all about finding ways to connect with and better serve the consumer. That hasn’t changed.

Your competition is exploring these new technologies. A “wait and see” approach here will leave you behind your competition in an evolving market.

You don’t need to boil the ocean. You don’t need to commit to a multi-year project with a huge investment. There are lots of ways you can start small, think big, deliver immediate value, and build incrementally towards what might seem farfetched today.

Start Small

Start by identifying a smaller problem that can be solved quickly – where you are certain you’ll get a return. You probably have enterprise systems like PLM, ERP and CRM in place: an initial IoT strategy could be increasing connectivity between these systems. Clearly, the goal is a quick win with a modest investment. The challenge is identifying the right opportunity to start with. Executive leadership may not agree on a path forward, R&D leaders may be focused on traditional initiatives, and nobody is really sure what the requirements or impacts of IoT will be.

Think Big

Have a vision around where you want to go. Dream up the ideal solution free from constraints of time, complexity, cost, and legacy technology. Knowing where you’d like to be will help you avoid making decisions along the way that prevent you from getting there.

Build Incrementally

Implement in phases to ensure value is delivered frequently, and that you never go too far down the wrong path. Find a way to measure your returns – both to justify investments, and to reassess where you place future bets.

In future blogs, I’ll cover more detail on practical ways you can start small, think big and build incrementally.

Potential Benefits

Retailers stand to benefit from this leap in connectivity, not only in their increased relationship with their customers, but higher levels of operational efficiency. For example, incorporating data collected from stores and RFID tags in products with back-end systems (ie. ERP, PLM, CRM) allows for real-time measurements of vendor performance and tracking of product movement through the supply-chain, while customer sentiment feedback drives insights into design and product selection.

The benefits are clear. Now it’s time to pick your starting point.

Learn More: Register for this Webinar

Originally published on February 2nd, 2015

What’s your view? Add your question or comment
About the Author

Andrew Timm
andrew.timm@kalypso.com
Andrew, a senior manager at Kalypso, brings 14 years of product lifecycle management (PLM) expertise to Kalypso clients.