

RETAIL

Integrating planning processes helps retailers improve shopping experiences

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IT constraints are a common obstacle for retailers. Image credit: CBI Retail Ventures

By SARAH RAMIREZ

With retail models continuing to evolve, integrated planning processes are crucial for retailers who hope to successfully create omnichannel shopping journeys.

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According to Boston Retail Partner's new "Integrated Planning Getting it Right" report, retailers still face challenges when analyzing data and putting insights into practice. Streamlining processes is vital for retailers looking for integrated planning.

"While some retailers have been able to work with legacy tools and disjointed processes, their results have been hindered by siloed data," said Gene Bornac, senior vice president and practice lead at BRP. "In order to keep up, retailers must evaluate their processes and technology, automate tactical activities, and focus on how they can position their organization for success."

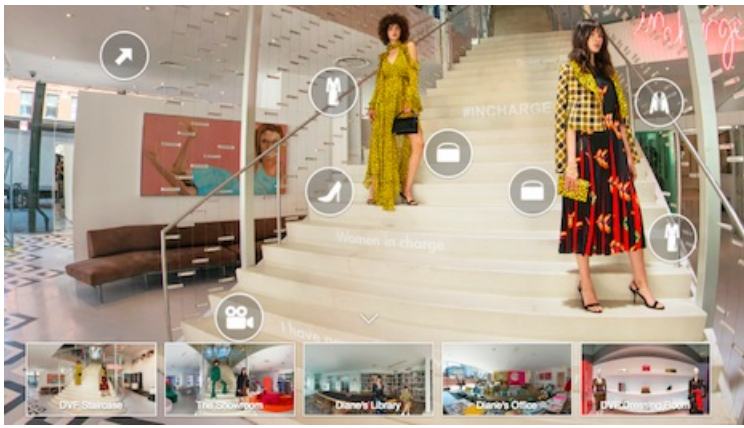
This report is based on BRP's 2017 Merchandise Planning Survey.

Working together

Improving the customer experience is the top strategic initiative for 47 percent of retailers, followed by 21 percent who want a more unified and consistent commerce foundation.

Recently, many luxury brands have relaunched Web sites and are offering more comprehensive mobile shopping experiences.

U.S. fashion label Diane von Furstenberg has grown its mobile revenues after investing in a new Web site and more personalized ecommerce strategy. The new DVF ecommerce experience includes social proof, basket reminders, user-specific offers and smart email collection experience ([see story](#)).



DVF has updated its ecommerce strategy to be more consumer-centric. Image credit: DVF

However, merchandise planning remains a primary focus for retailers while omnichannel demand planning and store planning are less formalized.

Constraints on IT resources are a common obstacle for retailers. Fourteen percent of retailers surveyed also cite budget constraints as impacting integrated planning.

A mix of systems also has an adverse impact on retailers and strains company resources, including time and energy.

Different responsibilities, such as merchandise planning and allocation, are managed across a variety of platforms, from vendor applications to proprietary spreadsheets.

Fully integrating planning solutions allows retailers to better align their organizations. Brands can better respond to sales trends and use of consistent tools and metrics improves data accuracy.

Retail innovation

Quality sales and inventory data is crucial as luxury brands compete with other retailers.

The rapid pace of shoppers' social media discovery and fashion buying habits is hurting luxury brands that have longer journeys to market.

From "sketch to store," "affordable" luxury fashion and premium goods take 46 weeks compared to 28 weeks for vertical companies that have no wholesale component, according to a report from McKinsey. Those weeks can be critical as this time impacts brands' abilities to respond to emerging trends or keep popular items in stock.

The quicker brands can move products through planning and development and delivery, the less likely miscalculations about consumer demands will occur ([see story](#)).

Additionally, blockchain is poised to have a strong impact on the retail and fashion industries as more brands continue to adopt the tamperproof technology.

Originally developed to verify transactions using digital currencies, blockchain is now being used for different applications across a number of industries. According to Fashionbi's "[Blockchain in Fashion and Retail Industry](#)" report, large organizations can use blockchain technology to follow the entire product cycle, from production to even product usage ([see story](#)).