



LYONSCG WHITE PAPER

The Building Blocks of Unified Commerce

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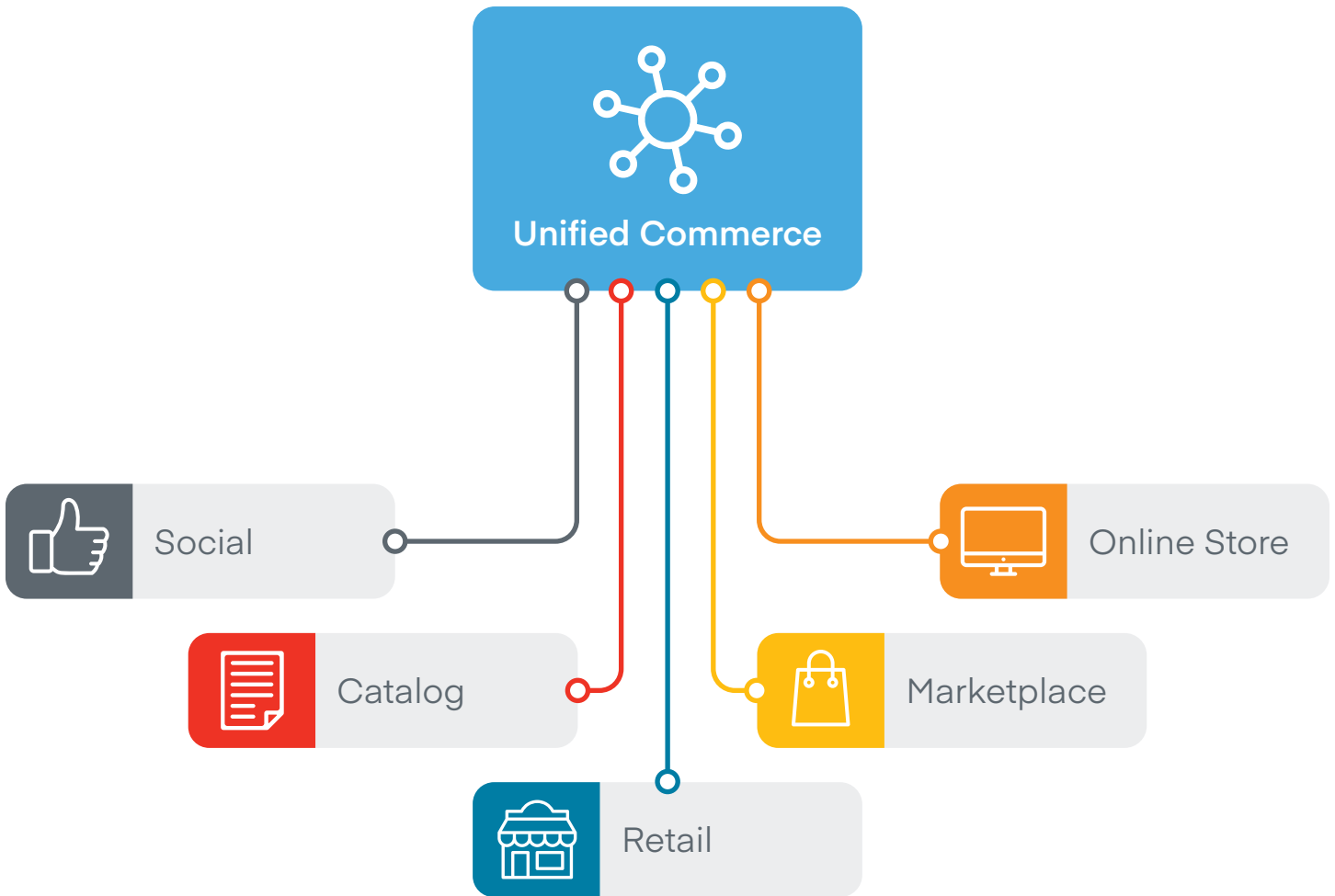
Introduction

Unified commerce is not a new concept. For years, smart businesses have realized the value of delivering seamless, consistent, and engaging commerce experiences that span across every touchpoint in the buying cycle. This model is a stark departure from yesteryear's marketing techniques, where different channels worked in silos without a single source of visibility into the end-to-end customer journey. At the same time, there are numerous hurdles that can accompany rolling out a unified commerce strategy.

The benefits of unified commerce are tangible. Shoppers that engage across multiple channels

are much more likely to buy and provide value for the company. **Through this article, we want to help organizations better understand their customers, their buying journeys, and the needs of their markets.** This starts with treating each customer as one and the same whether they engage via, in-store, online, or any device or marketing medium (see the diagram below).

This paper lays out the building blocks of Unified Commerce to help organizations understand their customers and their interactions, enabling them to prioritize requirements, build strategic roadmaps, and grow their business.



Understanding Your Customers

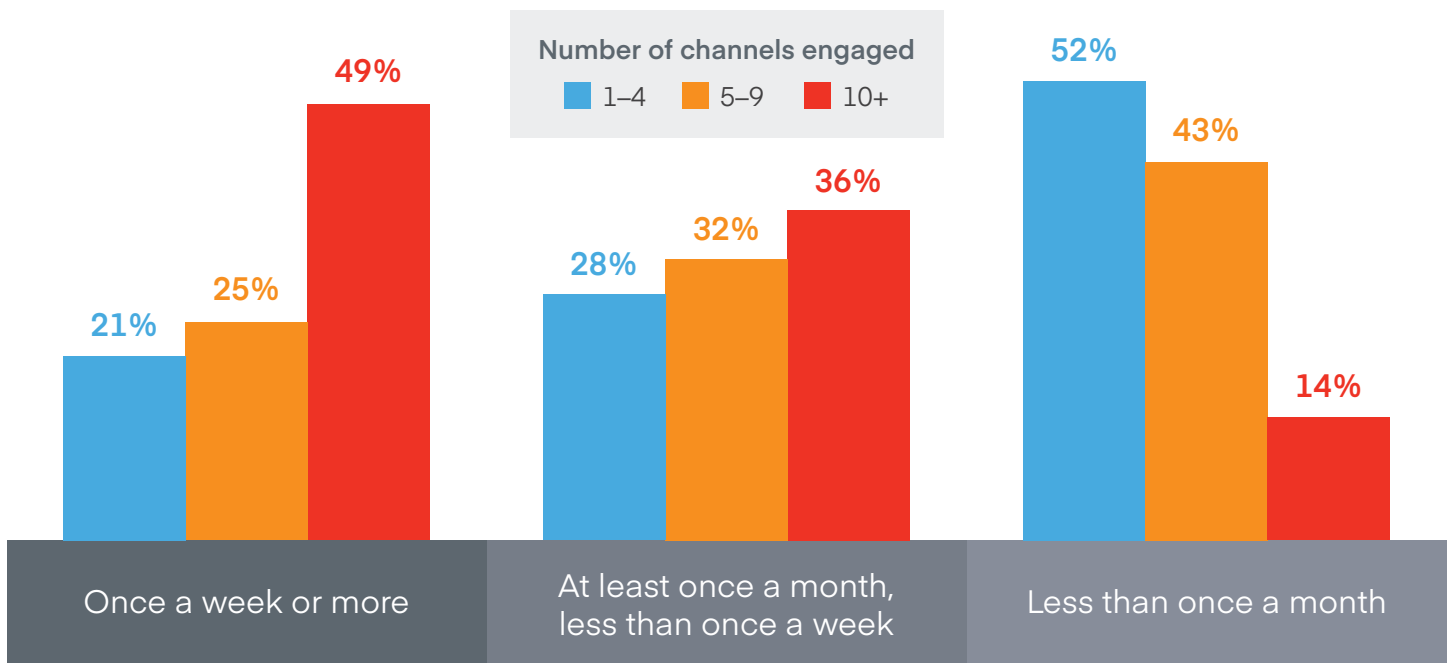
The foundation of any successful unified commerce strategy is a sound understanding of your customers. Who are they? Where do they live? How do they shop? Which channels do they engage with most? This data will direct how you deliver value and exceed their expectations.

Unified commerce is about bridging touchpoints, centralizing customer data into a single source of truth, and delivering a consistent customer experience no matter how users engage with your brand.

Ensuring that customers enjoy the same quality of service, receive the same information, and are known regardless of channel is critical. Following this, customer and channel interaction history needs to be stored in a central location. This helps organizations understand customer behaviors on various channels and enables them to optimize channel experiences for these interactions.

SHOPPERS THAT ENGAGE WITH RETAILERS ON MULTIPLE CHANNELS MAKE PURCHASES MORE OFTEN

SURVEY: How often do you make purchases from your favorite retailer's website?



The User Journey

Arguably the most important facet of understanding your customers is understanding their journey: the path they take to purchasing products and services. Along this journey is research, consideration, comparison, and eventually, purchase.

Today's consumers rely on various channels to reach different points in the buyer's journey. For example, shoppers and buyers both rely heavily on digital sources when in the research stage of their journey, and lean especially on their mobile devices in this phase. According to Retail Touchpoints, more than 50% of Google search queries now come from mobile devices, and the fact that 85% of a smartphone user's time is spent in apps, in-app product discovery is on the rise as well. Furthermore, 81% of shoppers compare prices and selection online before deciding on their purchase.

Much has been said about the demise of brick-and-mortar shopping, and although online purchasing is steadily growing, the vast majority of purchases are made in stores. Post-purchase contact in the form of loyalty offers, direct mail, coupons, surveys, and more ties into the customer journey as well.

Today's customers are truly cross-channel shoppers. One consumer may see an offer on a mobile phone, research and find the best price on their desktop, reserve the product online, pop into a local store to physically pick it up, and interact with the brand post-purchase through email – and this is just one specific example of a modern buyer's journey.

Without centralized customer data and a consistent experience across all of these channels, customers will end up shopping and buying elsewhere. Today, customers care about the experience just as much as the actual product or service. Brands need to put themselves in their customers' shoes and identify the opportunities to enhance and integrate every facet of the journey.

Now, different customers will have different customer journeys depending on a variety of demographic, regional, and behavioral data. For example, let's take a look at some different cohorts to highlight how the customer journey differs across different sets of customers.

- ✔ **96% of Shoppers** who have access to the internet made at least one commercial transaction in their lives, and about 81% have done so in the last month alone.
- ✔ **Millennials vs. GenX vs. Baby Boomers:** Millennials value 24/7 availability more than anything, but Baby Boomers demand their issue is solved first-time. 70% of Baby Boomer would reject automated service in order to speak to a person – even if the time, effort, and outcome were identical. Got a complaint? Millennials prefer to email you, but Baby Boomers expect a call.
- ✔ **Parents vs. Non-Parents:** There's one major difference between parents and non-parents: convenience to shop. In fact, nearly half of parents can't live without online shopping—and they spend about 60% more on online shopping per year compared to non-parents (\$1,071 vs. \$664).
- ✔ **Men vs. Women:** Men reported spending 28% more online than women over the last year. Shopping patterns across different categories gave similar results in terms of spend.
- ✔ **Metro vs. Suburban vs. Rural:** Shoppers shop differently depending on where they live. For instance, metropolitan shoppers spend more online (\$853 annually) than suburban shoppers (\$768) or those rural areas (\$684).

Image Source: Business Intelligence

B2B vs. B2C Customer Behavior

Arguably the largest difference in customer journeys compares B2C consumers with B2B buyers. But the same concept of centralized customer data and seamless cross-channel experiences remains central to successful unified commerce strategies.

B2B buyers are B2C shoppers when they are not on the job. The largest difference, though, is that the B2B buyer journey is much more complex than B2C. Beyond product research – [which is moving to digital channels more rapidly than ever](#) – complex pricing and buying agreements, service, and more introduce wrinkles that businesses need their commerce systems to solve. Given that the B2B digital commerce market is currently three times as large as its B2C counterpart (\$7.66 trillion vs \$2.14 trillion), organizations stand to realize massive returns on developing winning, seamless buying experiences.



HERE ARE SOME KEY POINTS FOR BUSINESSES TO CONSIDER:



The Buying Environment

In B2B, there can be multiple players involved in the sales process, while in B2C it's usually a single person creating an order and checking out. A big movement in B2B eCommerce is the concept of **cart sharing**, where orders can be sent for checks and approvals before being placed. There are also purchasing agents (distributors) who have licenses and place orders on behalf of the parent company. These transactions involve complex mechanisms such as subscriptions and behavioral transaction groups (BTG) analysis as well.



Average Price Point and Order Value

A B2C eCommerce brand might need to sell to hundreds of thousands of people to crack their first million in sales because they're likely selling products at a lower rate. In B2B eCommerce, it's common for brands to have fewer than a couple hundred customers but still generate millions (sometimes billions) of dollars in revenue.



Channel Shift

B2C customers use multiple channels to uncover the best price, while B2B transactions are more complex and involve more considerations than just costs. The decision-making process is much longer, and relationships and loyalty play a large part. Quality and brand reputation is always at stake in B2B, as the voice of customer plays a bigger impact compared to B2C.

B2B buyers increasingly look to digital channels for transactional purchases and researching complex purchases. A Forrester Research survey shows 60% of B2B buyers prefer not to interact with a sales rep, and 68% of buyers use digital channels to gather information on their own.



Intuitive B2B Commerce Platforms

Intuitive B2B commerce platforms allow businesses to go to market faster than ever before. Self-service B2B commerce sites need to enable buyers to find what they need quickly and easily, and play a huge role in the pre-sales process. It's important that B2B organizations leverage their centralized customer data to personalize the user experience and clearly present relevant information that simplifies their buying process. Internally, B2B commerce involves a more complex account hierarchy that needs to be accurately represented in internal CRM systems. Multiple individuals will be tracking the progress/implementation of a sale, and their data needs to represent their role and effect on the sale.

The differences between the journey B2C shoppers and B2B buyers take are massive, but what remains consistent is the fact that both cohorts use multiple channels to make purchasing decisions, and both demand a seamless experience between these channels.

Unified Commerce Done Right

Unified commerce represents a profound transformation for most businesses. Everything from front-end experiences to back-end data systems need to be optimized and aligned in a way that enables customers to be known regardless of channel.

Remembering the fundamentals of unified commerce – knowing your customers, understanding their journey, centralizing data, and ensuring every channel compliments customer behavior – can drive immense value for your business.

Below are some of the key value drivers of when unified commerce is done right:



Consistent User Experience Across Channels

When shoppers are known throughout their journey and across channels, it is much easier for them to complete their purchase. Plain and simple, digital commerce is about convenience, and a consistent, data-driven experience enables customers to easily navigate from research to post-purchase actions.



Inventory Visibility and Optimization

When customers decide on a product, they want to know where and when they are going to receive it. Successful unified commerce strategies centralize data to not only make the buyer's experience as relevant as possible, but also enhance visibility into product availability and location: this goes for online and in-store shopping and greatly enhances the convenience of the buying journey.

Inventory insight doesn't just give customers peace of mind that their items are in stock, it opens the doors to optimized delivery and fulfillment methods that make shopping even more convenient. Functionality like Buy Online & Pick-Up in Store (BOPIS), Same Day Delivery, Ship to Distribution Center, Intercompany Transfers and partnerships with competing channels not only give merchants critical insight into inventory flows, but also delight customers and enhance their experience. Inventory visibility and tightly integrated data is a win-win – it leaves customers happy and improves the efficiency of your business.



Value-Based Pricing

Smart pricing requires both market research and customer analysis. Value-based pricing ensures that your customers feel happy paying your price for the value they're getting. Pricing according to the value your customer sees in your product prevents you from short-changing yourself while creating an experience for customers that's most aligned with their expectations.



Analytics Done Right

Customer Lifetime Value (LTV) gives a good measure of what the customer plans to do next, based on his or her buying pattern. Do you have a “next best offer” or product recommendation capability? That’s an analytical prediction of the product or service that your customer is most likely to buy next. It’s critical to be ahead of competition and have the right price, product, promotion and packaging for today’s customers.

Unified commerce isn’t just about systems integration, it’s about understanding your customers, their behaviors, and leveraging that data to make their experience as seamless, efficient, and pleasurable as possible. Successful strategies require clear priorities, robust data, and an unwavering focus on long-term goals.

While unifying disparate channel experiences and optimizing data structures may seem daunting, remembering the fundamentals of unified commerce and partnering with digital transformation experts like Capgemini will ensure that you realize your full commerce potential.

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About Capgemini and LYONSCG

Capgemini is a global leader in consulting, technology services and digital transformation, which is at the forefront of innovation to address the entire breadth of clients' opportunities in the evolving world of cloud, digital and platforms. Building on its strong 50-year heritage and deep industry-specific expertise, Capgemini enables organizations to realize their business ambitions through an array of services from strategy to operations. Capgemini is driven by the conviction that the business value of technology comes from and through people. It is a multicultural company of 200,000 team members in over 40 countries. The Group reported 2017 global revenues of EUR 12.8 billion.

Lyons Consulting Group (LYONSCG), part of the Capgemini Group, is a leading global commerce service provider, with capabilities that include consulting, digital agency, systems integration, technology services, and managed services. LYONSCG combines proven methodologies, deep technical expertise, and award-winning design to create digital commerce experiences that engage and convert consumers and buyers. Hundreds of leading B2C and B2B brands trust LYONSCG to realize their commerce vision and continually optimize it to drive profitable growth. LYONSCG is a partner of Salesforce Commerce Cloud, SAP Hybris, and Magento; is a recipient of Salesforce Commerce Cloud Global Sales Partner and Delivery Partner of the Year awards, and Magento Partner Excellence and Magento Innovator of the Year award. For more information, go to www.lyonscg.com.



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