



Revolutionizing Retail in the Digital Age

WHY BRANDS NEED TO EMBRACE HEADLESS ECOMMERCE

For retailers of all kinds, including consumer brands and B2B enterprises, resilience and adaptability will be key to thriving in the present digital economy over the coming years.

The ecommerce revolution has already disrupted the way brands interact with consumers and businesses with a 43% increase from \$571.2 billion to \$815.4 billion in US ecommerce sales from 2019 to 2020. Ecommerce has become fully established as a preferred method for consumers in the digital age, and brands need to adapt their approach quickly in order to keep at pace with the everchanging consumer needs to capitalize on growth.

However, this new approach doesn't only involve the ecommerce experience. Instead, it requires retail executives to consider the user experience across the entire landscape of digital touchpoints, to rethink their operating models and capabilities to keep up with changing economic conditions and consumer behaviors.

In this eBook, we'll outline:

- The problems facing retailers today
- How brands can begin their own retail revolution and join the digital economy
- Examples of the most forward-thinking online ecommerce brands
- What it means to get the ecommerce revolution right
- How Content Bloom has helped brands get there

Retail Has a Problem (Challenges Facing Retailers Today)

Competition isn't a new phenomenon for anyone in the retail industry. However, the challenges retailers face today have accelerated compared to even a few short years ago.

Heightened Customer Expectations

Consumers have been spoilt for choice over the last few years. As a result, they are placing pressure on their favorite brands to maintain the highest levels of customer service, which usually translates to improvements in speed, self-service, and convenience.

Marketplaces like Amazon have conditioned buyers to expect same-day and expedited delivery options from almost every retailer. They are also expecting their favorite brands, with whom they share large volumes of data, to provide personalized experiences and recommendations throughout the buyer's journey. These expectations also mean that customer loyalty is no longer as easily attained as ecommerce has made it possible for consumers to switch allegiances at a moment's notice.

Data from McKinsey shows that in February 2022, 37% of US consumers had reported shopping with a different retailer recently, up from 28% in September 2020. To keep customers loyal, retailers will need to introduce new programs that simultaneously reward customer loyalty and provide a personalized experience.

Changing Buyer Behaviors

While ecommerce has undergone tremendous growth recently, buyers are adopting a mix of old and new behaviors today. Many continue to shop online, but they are also ready to return to brick-and-mortar stores to do in-person shopping.

Today's consumers are looking for the best value that money can buy. This is only exasperated by the fact that retailers must contend with rising inflation, recession fears, and other outside factors that can further impact buyer behavior.

Outdated Legacy Systems

Another challenge affecting modern retailers in the digital age is that many still work with outdated legacy systems. While digital transformation has begun throughout the retail industry, many businesses still find themselves limited by various legacy tools, from PIM, CRM, CMS, and ERP solutions to logistics and warehouse management software.

These platforms are often paired with monolithic or custom CMS platforms that aren't built for the current multichannel digital age. When combined, these outdated architectures don't provide the freedom and flexibility that modern technology ecosystems are able to deliver to their customers in terms of user experiences and personalization. Data remains siloed in each tool, preventing retail leaders from accessing crucial information for understanding customer preferences and current results and impacting decision-making.

Increased Competition from Newer Entrants

Retailers that have fallen behind in their digital transformation efforts must compete with the ever-increasing number of digital startups disrupting new and established markets. An assortment of new digital technologies, the rise of social commerce, and social media influencers is also swaying consumers.

Established retailers must be able to adapt to these new phenomena if they want to compete in the digital age.

Multichannel Content Delivery

The growing multichannel trend has also made things difficult for retailers in the digital age. Ecommerce is no longer limited to just a website or smartphone app. Instead, content can be served to digital kiosks, instore digital catalogs, other mobile devices, point of sale (POS) systems, AR and VR devices, and so much more. In fact, 75% of consumers leverage omnichannel shopping, compared to 5% who shop online and 20% who only shop in stores.

Allowing customers to shop wherever and whenever they want will soon become an expectation business must contend with or risk falling behind the competition.

Unexpected Factors

Recent history has shown retailers that being ready for anything is essential to success. From regional conflicts to supplier issues and unprecedented global events, having the capacity to adapt to any new challenge will separate those retailers who will succeed in the coming years from those who might be lucky to remain in business.

How Brands Can Start the Retail Revolution

For retail brands to overcome their greatest challenges and prepare for the retail revolution, it starts by having the right foundation. Retailers can no longer rely on traditional commerce infrastructure to get by and instead need to embrace the principles of headless commerce for content delivery and composable commerce for building their technology ecosystem.

Why Headless Ecommerce is Required for the Future of Retail

Headless commerce separates the customer-facing frontend of the ecommerce platform from the backend. The two sections are connected via APIs, which enables retailers to create shopping experiences on any channel.

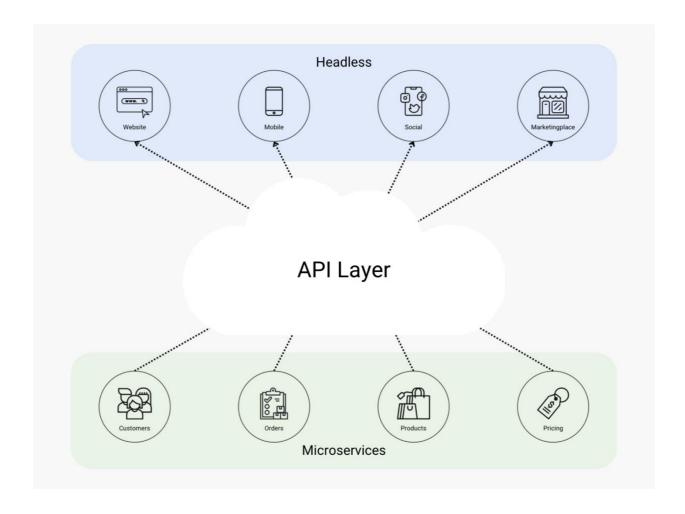
This allows them to provide the multichannel shopping experiences that customers demand from them, marketing teams to launch campaigns and go to market faster, and customers to benefit from more meaningful customer experiences customized to their behavior.

Read more: <u>How Headless Commerce is Taking Omni-Channel CX to the</u>
Next Level

How Composable Commerce Pulls Everything Together

Headless commerce is essential for facilitating the multi-faceted frontend experience that companies need to provide today. Headless architecture also provides the foundation for composable commerce. With composable commerce, retailers can build ecommerce systems that involve selecting best-of-need tools and assembling them to create a robust ecommerce digital ecosystem.

Instead of struggling with outdated legacy systems, retailers can create their ideal ecommerce ecosystem, connecting data across multiple tools and gaining more visibility into the entire digital landscape. This allows them to better cater to customers and improve decision-making to enhance the retail experience. The adaptability and flexibility facilitated by composable commerce also helps retailers to quickly respond to customer needs.



5 Retailers Doing Headless Ecommerce Right

Several retailers have already realized the benefits of adopting headless ecommerce. In fact, 62% of ecommerce executives believe that headless commerce can improve engagement and conversions.

Here are some examples to follow.

Allbirds

Sustainable footwear and apparel company Allbirds needed to improve its flexibility after expanding to new markets and introducing new products.

Increasing personalization efforts and adding a faster on-site experience were also top priorities and some of the reasons why they chose to embrace headless commerce. Through headless architecture, the Allbirds website and mobile app are seamlessly connected, creating a multichannel experience for customers wherever they shop.

Tesla

Car manufacturer <u>Tesla</u> can use headless commerce to improve personalization for their loyal customers. From choosing the materials to customize the car or picking different colors, buyers have numerous options for personalization. Quick and easy pre-ordering allows users to configure their model and place a preorder.

Nike

Nike, the well-known footwear, apparel, and accessories company, also benefits from a headless commerce approach to online sales. They were able to launch a mobile-first experience for their customers, which allows them to optimize the shopping journey and adjust to the channels where consumers are buying.

Samsung

Samsung is a major brand that has leveraged headless commerce to improve the in-store experience. They can reach their customers on multiple channels and offer live commerce options by using an API-first architecture.

Under Armour

Under Armour relies on headless technologies to connect the data between its multiple systems. Instead of being siloed, data is pulled from the CMS, order management system, product catalog, payment processing, and more. Data from fitness apps are also integrated into the mobile shopping app to deliver a customized experience for the customer that includes their workout history, offers in-app recommendations, and more.

What It Takes to Get Headless Commerce Right

Getting headless commerce right isn't just a matter of deciding to get started going headless and then jumping right in. While there are numerous benefits to adopting headless ecommerce, retailers could risk an expensive misstep if they don't have the right game plan.

Headless ecommerce can be rewarding when brands have a specific reason for wanting to go headless, whether that means they no longer want to deal with expensive maintenance for legacy systems or need to reach their customers on a number of different channels.

With headless commerce brands can accomplish the following:

- Be in a better position to meet increasing customer expectations and respond to changing behaviors and unexpected events.
- Keep pace with increased competition from new entrants to the ecommerce space
- Achieve multichannel content delivery
- Create the ideal ecommerce ecosystem by using composable commerce



Get Help From Content Bloom on Your Retail Modernization Journey

Retailers ready to modernize themselves in the digital age should consider adopting headless ecommerce to help them revolutionize their approach to ecommerce and enhance the customer experience.

With the number of challenges retailers face, from heightened customer expectations to changing buyer behaviors and the threat of unexpected factors, the flexibility, freedom, and scalability that can be achieved with headless commerce can be a game changer for ambitious brands.

To get headless commerce right, it takes support from capable partners. Content Bloom is an enterprise digital consultancy with extensive experience helping retailers take their ecommerce experience to the next level.

When one of the world's largest toy and entertainment retailers wanted to bring their custom dolls to life by transforming their brick-and-mortar stores into an immersive shopping experience they turned to Content Bloom for help. With our assistance the retailer was able to implement a headless CMS that integrated with existing ecommerce and social media platforms. The result was them exceeding the first week's original sales goal by 4x and a viral social media campaign.

At Content Bloom, we are familiar with the ins and outs of enterprise content management and are partners with several leading headless CMS vendors. Our services will give you the foundation to start your headless ecommerce journey, by allowing you to integrate a headless CMS with an ecommerce platform like BigCommerce, a PIM solution like Akeneo, HubSpot CRM, or whatever tools are part of your ecommerce architecture.

Contact us today to learn more about how we can help you modernize the entire retail experience for your customers.

About Content Bloom

Since 2011, Content Bloom has been implementing content managed solutions to create everything from web and mobile sites through to digital products and online marketing campaigns.

Creativity, technology, and digital marketing

Our expertise is a unique blend of creativity, strategy, and technology that accelerates digital performance, delivering value that exceeds our clients' expectations.

Delivering results that matter

Our expertly trained team of consultants, developers, designers, and engineers have amassed many years of experience developing enterprise solutions around the globe.

Our extensive experience ensures the highest quality deliverables throughout your project.

By focusing on quality, we've exceeded our clients' expectations and have enjoyed mutually beneficial, long-standing partnerships built on trust.

http://www.contentbloom.com