CentricSoftware®

5 Challenges & Strategies Reshaping the Connected Retail World

A guide for digital transformation success with PLM, Operations, Quality, Sourcing and Technology

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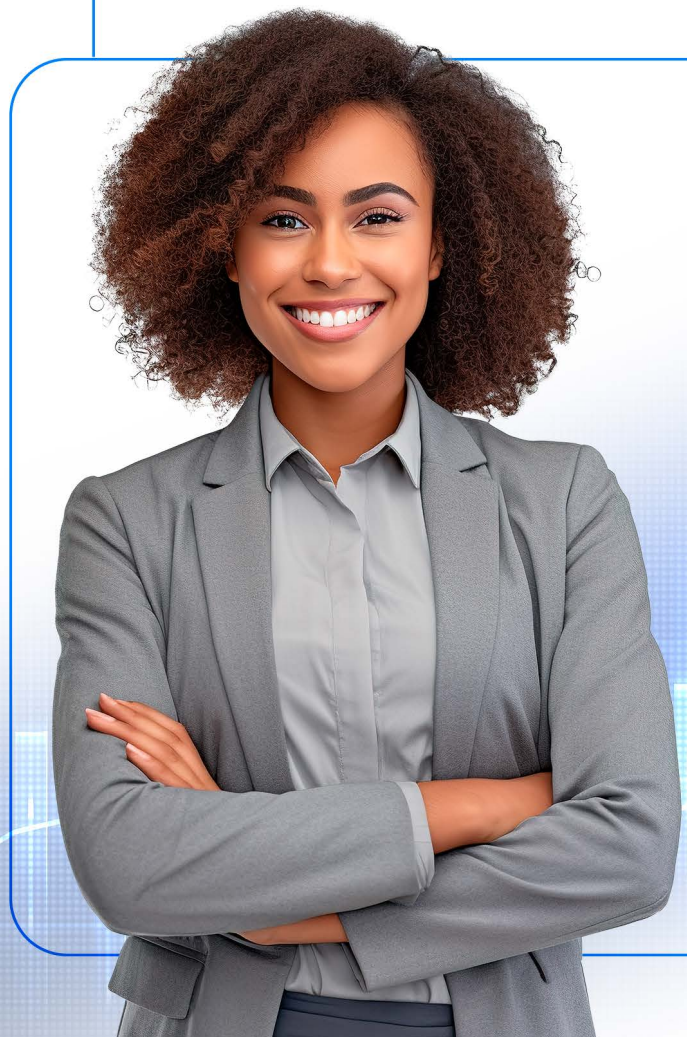

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Introduction

In today's retail marketplace, shopping preferences vary as widely as individual customers' desires. Global retailers face challenges of staying ahead of trends, shifting market dynamics when needed, leading the charge in experiences and analyzing data that supports their every marketing effort.

Connected retail is more than multichannel distribution, it's a holistic strategy ensuring consumers enjoy a seamless, continuous shopping experience. One that suggests what they want, when and where they want it, across devices, apps, websites, and real-life encounters – fast. And in the best-case scenario, faster than the competition.

Achieving large scale retail success depends on **digital transformation,** particularly Product Lifecycle Management (PLM), that goes beyond mere technology upgrades. PLM fundamentally redefines how retailers approach everything from **product design** to **customer engagement,** fostering agility and foresight in the digital landscape.

Data and insights from leading organizations confirm that consumer behaviors are shifting, which has been expedited by the pandemic. **Adapting is a necessity.** Embracing PLM as part of this digital transformation provides retailers with data driven decisions, streamlined processes and improved customer satisfaction. Centric PLM™ reshapes how brands **connect** with their **supply chain** and **consumers.**

Digital anthropologist and futurist Brian Solis states in a **2022 Forbes** article, that from 2019 – 2021, shoppers continued to **define the new rules of engagement,** stating three types of digital channels that grew transaction shares by nearly 40%: brand websites and apps, retailer websites and apps and online marketplaces. Rising quickly are delivery apps, social media and messaging platforms, all increasing transactions by more than 20%. This shows that consumers are **adopting new habits** faster than ever.

Let's continue to explore how Centric PLM revolutionizes customer experiences through innovative use of connected retail strategies.

Do you know the *"TRIPLE DOUBLE"*?

Nike is renowned for its effective connected retail approach, particularly its "triple double" strategy highlighted by the **National Retail Federation** in January 2020. This strategy focuses on doubling innovation, speed to market and direct consumer engagement to forge stronger customer relationships — and emphasizes the need for brands and retailers to engage with consumers, a key aspect in today's interconnected world.

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Challenge #1: *Market changes*

Relevant for: *Purchasing Managers/Buyers, Sourcing Specialists, Procurement, Strategic Planners.*

The current market is shaped by economic changes and pandemic related impacts, therefore purchasing patterns are increasingly unpredictable. This **McKinsey** report highlights just how essential the role of technology plays in refining how supply chain management will conform to these uncertainties. Connected retail employees working in purchasing, sourcing and strategic planning experience a lot of hurdles, such as:

- **Reducing Errors in Manual Processes**
- **Enhancing Supplier Relationships**
- **Navigating International Sourcing**
- **Optimizing Costs and Efficiency**

The Objective:

You need a Product Lifecycle Management (PLM) system to overcome supply chain operational challenges, exacerbated by the erratic economy and pandemic related shifts. A resilient and responsive like Centric PLM optimizes efficiency, reduces purchasing errors and enhances flexibility in market dynamics.

The Solution:

Centric PLM actively delivers real-time information as a solution, addressing key operational challenges like order management, timing and fulfillment. Optimizing your sourcing and ordering processes significantly decreases the chances of delays, discrepancies, mismanagement, miscommunications and accuracy. Your relationships with suppliers are strengthened, giving your brand the advantage to negotiate better, facilitate smoother interactions and streamline important transactions. Centric PLM is the comprehensive approach retailers need to achieve operational success.

> *A big reason for a new PLM solution was margin improvement, gained through efficiency in back-end operations like sourcing and getting competitive vendor quotes on a single style.*
>
> Mountain Equipment Company **| Senior Director**

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Challenge #2: *Supply chain management*

Relevant for: *Operations Managers, Manufacturing Engineers, Supply Chain Professionals, Logistics Specialists.*

Managing supply chain inconsistencies is a hurdle for many connected retailers. Unexpected shifts in supply chain management can cause significant impacts on retail business such as increased shipping costs, delays, material shortages or price increases and extended lead times. All of these potential operational barriers are 100% preventable with the right solution in place.

Rising Shipping Costs

Material Shortages

Extended Lead Times

The Objective:

Retailers thrive when the proper Product Lifecycle Management (PLM) is in place to address key supply chain issues before, or as they, happen. **Centric PLM** centralizes product data, making it easier to improve decision making and accelerate manufacturing, reducing or eliminating disruptions to your demanding supply chain needs.

The Solution:

Centric PLM serves as the **single source of truth** for your product data, ensuring the most accurate and up-to-date information across specifications, tech packs and supplier details. Access to real-time information empowers you to make the best choices for your growing business when it matters the most, expediting lead times and manufacturing processes. **Centric PLM** is tailored to meet your business needs by providing a suite of features and advantages specifically suited to the retail industry:

- ✓ Comprehensive visibility into inventory levels.
- ✓ Vendor access to dedicated portals for seamless information exchange.
- ✓ Enhanced direct communication with factories, reducing reliance on email.
- ✓ Complete and standardized technical specifications for efficient production.
- ✓ Accelerated development times, cost reduction and minimized material waste.

In today's tumultuous retail landscape, these agile and comprehensive insights are your most valuable allies in navigating uncertainty and sustaining operational excellence.

> *"The flexibility and best practices embedded in Centric PLM and the project's Agile Deployment methodology enabled us to react quickly and gave us immediate visibility when the US made the decision to impose tariffs on Chinese goods.*
>
> BIG LOTS! | **Vice President of Global Sourcing**

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Challenge #3: *Creating cost efficiency*

Relevant for: *Product Managers, Operations Managers, Supply Chain Managers, Data Analysts/Data Managers, IT Managers, Quality Assurance Managers, Retail Strategists/Planners, Marketing Managers, R&D Managers, Inventory Managers.*

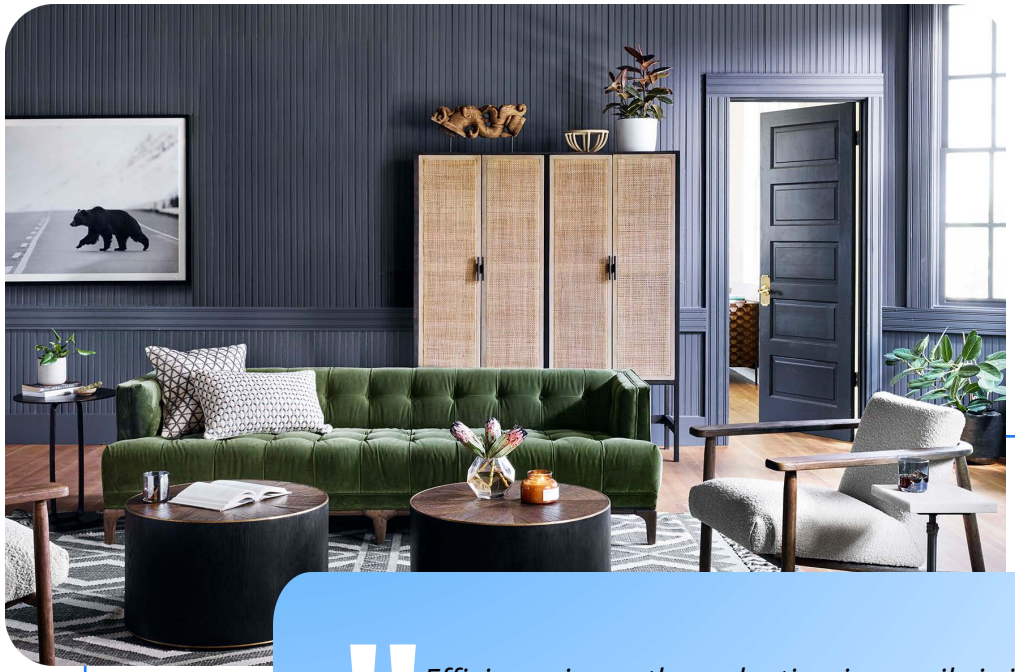
Retail companies grapple with a multitude of financial challenges within various internal operations. Reducing costs without compromising a commitment to quality and efficiency can be a nuance and identifying these opportunities is a daunting task. Your performance is a priority, but so is adapting to the ever-evolving dynamics of supply chain management.

The Objective:

To achieve a harmonious balance between cost efficiency and maintaining high quality. Leveraging a powerful PLM streamlines data integration and informs decision-making, enabling the identification of viable cost-saving measures. Additionally, the goal is to enhance supply chain adaptability, ensuring agile and responsive retail operations in a dynamic market environment.

The Solution:

A PLM system such as **Centric PLM** is tailored for retail unique challenges and is crucial for clear lifecycle visibility. Centric PLM efficiently and effectively manages the product lifecycle management from inception to disposal, ensuring cost-effective operations that maintain your reputation of high quality and excellent customer experience. PLM provides a connected retail experience by integrating, data-driven insights across departments, aiding in strategic budget decisions and enhancing supply chain flexibility to respond to market changes, thus giving you the competitive edge in the retail sector.



> *Efficiency is up, the reduction in emails is just amazing and data accuracy has absolutely improved. We are confident that the information in Centric is accurate and the most up to date.*

FOUR HANDS FURNISHING STYLE | **VP of Business Innovation**

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Challenge #4: *Preventing discrepancies*

Relevant for: *Quality Managers, Compliance Officers, Environmental Compliance, Supplier Quality Engineers.*

Today's dynamic retail landscape requires adaptation to regulation changes, complex supply chain problems, advanced technologies, quality demands and compliance regulations. Addressing these challenges prove to be a daily chore for even the most sophisticated retailers. Implementing a system that proactively detects potential disaster before it happens is crucial to fostering a culture of continuous improvement and positive change.

The Objective:

You need a centralized compound where critical data lives and serves information to your team to influence your next steps. Quality and compliance are key components to a PLM that help streamline regulation adaptation, manage supply chain processes and implement new technologies effectively. **Salesforce's report** states that 80% of consumers switch brands after three poor experiences. With PLM, your brand maintains **high quality standards** and **product consistency** prior to any customer mishaps.

The Solution:

Centric PLM elevates your product quality and ensures strict compliance with standards like REACH, CPSIA and FDA. The systematic approach to product development increases efficiency, focuses on high-quality output and provides robust compliance protocols for your brand reputation, product development, and overall safety.

"Centric PLM will provide us with a comprehensive end-to-end solution to help us handle large volumes of product launches, while making sure we meet strict compliance regulations.

MECCA | **Head of Finance**

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Challenge #5: *Modernizing the retail experience*

Relevant for: *C-level Executives (CEOs, CTOs, COOs).*

Consumers today expect a seamless, tech-driven experience. **Retail Touchpoints** reports that 84% of shoppers might ditch a brand after a bad delivery, underscoring its importance for **brand loyalty** (98% find it crucial). This challenge is amplified if a retailer is managing the average of 44 different front-end technology systems (as reported by **Forbes**). The Buy Online, Pick Up In-Store (BOPIS) model is embraced by 57% of customers, posing its own perplexities since 85% of buyers report making additional purchases during pick up. Unifying the entire shopping experience from BOPIS to in-store and ensuring proper communication from legacy systems to touchpoints remains a top priority for global retailers.

The Objective:

Retailers must adopt a more efficient process for enhancing and modernizing the customer's experience. Integrating a PLM system improves communication between all utilized technologies, maintaining consistency across all touchpoints from digital to traditional. The goal is to stay ahead of the emerging technologies, customer expectations, anticipated touchpoints and retail trends, establishing brand loyalty and customer satisfaction.

The Solution:

Centric PLM is the unified source of all integrated data, solving complex retailer problems and delivering real time information to support unparalleled decision making. It acts as a centralized hub for product related data, increasing accuracy amongst your organization, collaboration efforts and department teams. Our solution leads to operational efficiency, cost saving formulas, precise internal insights, up-to-date analytics and strategic objectives that resolve complex conditions.

> *"I'm usually reserved when it comes to interviews, as I hold software to exceptionally high standards, seeking nothing short of excellence. It's rare to find software that meets these criteria, but Centric has surpassed my expectations, compelling me to share my outstanding experience.*
>
> BIOWORLD |CIO

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How **Centric PLM** steps up

Centric PLM stands as a pivotal tool in the realm of product development, harmonizing various aspects of your business process. Its ability to integrate with major platforms and ERPs, coupled with features like streamlined workflows and real-time data visibility, positions it as a cornerstone in your digital transformation journey. With its focus on enhancing customer satisfaction and loyalty through accurate and timely product information, Centric PLM is more than just a system; it's a pathway to optimizing your business efficiency.

If you're looking to explore how Centric PLM can specifically benefit your business, consider taking a closer look through a personalized demonstration. This one-on-one session is designed to align with your unique business needs, offering insights into how Centric Software can be tailored to your operational landscape. To gain a deeper understanding of what Centric PLM can do for you, book your personalized demo today.

> *Now it's all right there in PLM – no more digging. And if we make a change in one place, it changes across the board in every report, so that's gonna be a huge time saver for us.*
>
> WOLVERINE WORLDWIDE | **Vice President of IT**

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About Centric Software

From its headquarters in Silicon Valley, Centric Software® provides a concept to customer solution experience for consumer goods such as fashion, outdoor, luxury, multi-category retail, grocery, food & beverage, cosmetics & personal care and consumer electronics to plan, design, develop, source, buy, make, price, allocate, sell and replenish products.
Centric Software's flagship solution Centric PLM™ brings cost savings and efficiency by optimizing product execution from ideation to development, sourcing and manufacture. Centric Planning™ is an innovative, cloud-native, augmented-intelligence solution delivering end-to-end planning capabilities to maximize retail and wholesale business performance. Centric Pricing & Inventory™ leverages AI to drive margin and revenue improvement by influencing demand via price and inventory optimization from pre-season to in-season to season completion. Centric Market Intelligence™ is an AI-driven, market insight platform for data-informed decision-making on competitor offers and pricing as well as consumer trends and buying behavior. Centric Visual Boards™ pivot actionable data in a visual-first orientation to ensure robust, consumer-right assortments and product offers.

Centric Software has the highest user adoption rate, customer satisfaction rate and fastest time to value in the industry. Centric Software has received multiple industry awards and recognition appears regularly in world-leading analyst reports and research.

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