# MANAGE EVERYTHING

Your guide to back-office optimisation

neto

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INTRODUCTION

Omni-channel sales are becoming increasingly important to modern retail businesses. With two-thirds of customers reported to use multiple channels when purchasing, the ability to serve your customers wherever they are gives your brand a significant advantage over your competitors.

But selling through multiple channels can complicate your back-office operations. To keep things running, you'll need to receive orders through several channels, allocate them to various fulfilment pathways, unify your transactions for financial and tax accounting, and uniquely identify your customers for marketing and sales.

This has led to the growing interest in retail management platforms that are specifically built to meet the demands of an omni-channel strategy. These platforms give you a streamlined approach to managing everything across all sales channels, enabling you to meet your customers' demands at a competitive price point, and setting you up for sustained retail success.
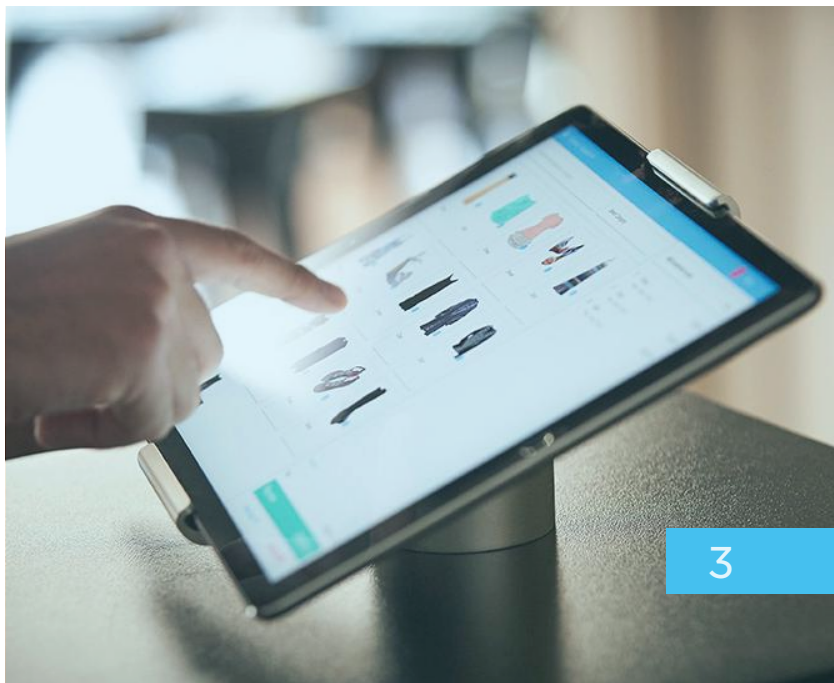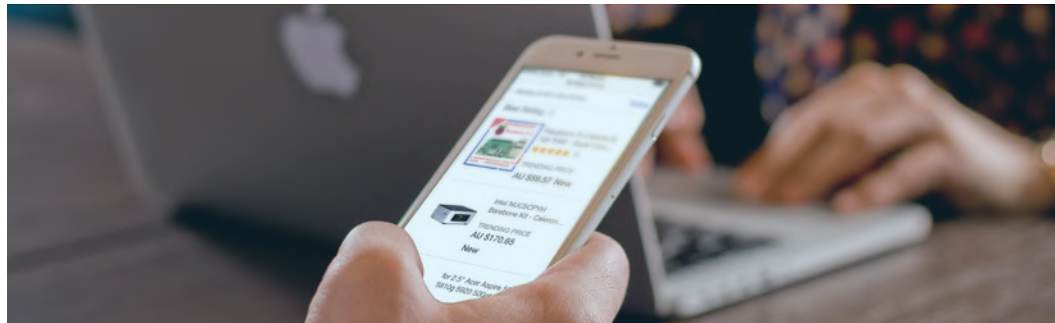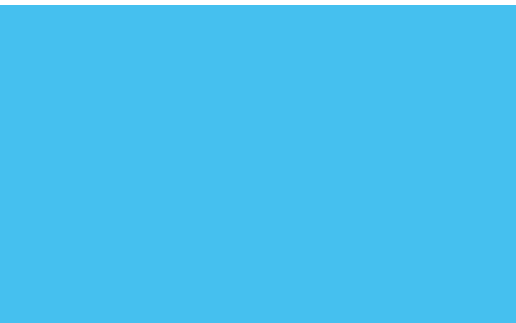
MANAGE YOUR BACK OFFICE

When it comes to making business decisions, knowledge is power. That's why successful retail businesses invest in systems and processes that track all aspects of their operations and help them identify areas that can be optimised, such as

▸ maintaining the right inventory levels to meet customer demand and avoid ending up with a costly surplus

▸ consolidating orders and transactions across all sales channels, for easier fulfilment and reporting

▸ allocating orders to the warehouses or other locations that are best positioned for immediate fulfilment.

Each element of your back-office operations has its own challenges, but you'll be better equipped to face those challenges if you've got the right information to power your decisions.

PURCHASING AND INVENTORY

Keeping the right amount of inventory on hand is one of the top then things a retail business can do to boost profit margins and customer satisfaction. By reducing your costs and improving your ability to meet demand, effective inventory management can increase your cash flow and free up your working capital for investment in parts of your business.

Inventory management platforms track your stock from when you first receive it at your warehouse locations, right through to stocktakes and order allocation, until you ship it out to customers. This lets you plan your replenishment and stock transfers, so you'll never disappoint customers by being out of stock, and won't be wasting money holding too much stock "just in case".

If you can track inventory within your retail management platform, you'll have the added benefit of giving your staff ready access to real-time stock levels across all locations, including your warehouses, through you point-of-sale (POS) terminal. They'll no longer need to spend valuable work hours calling other stores to figure out who has an item in stock. And online shoppers will always have the same up-to-date information, so they won't miss out on popular items, and they'll know which store to visit if they want to try before they buy.
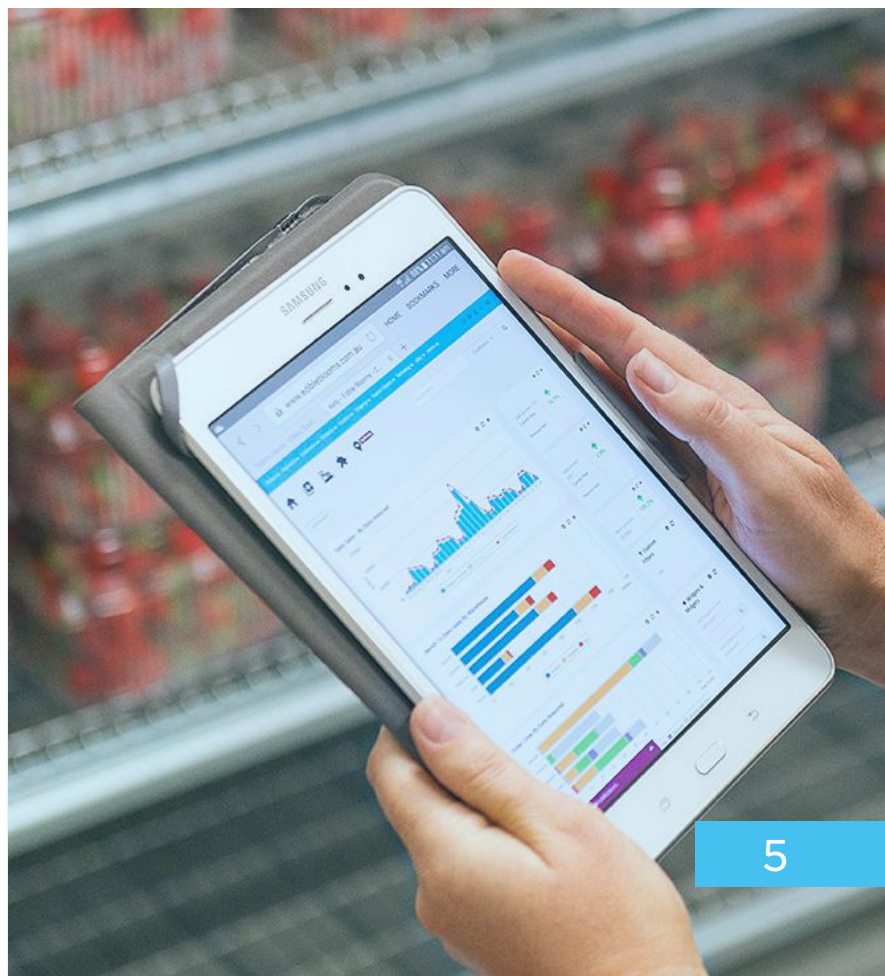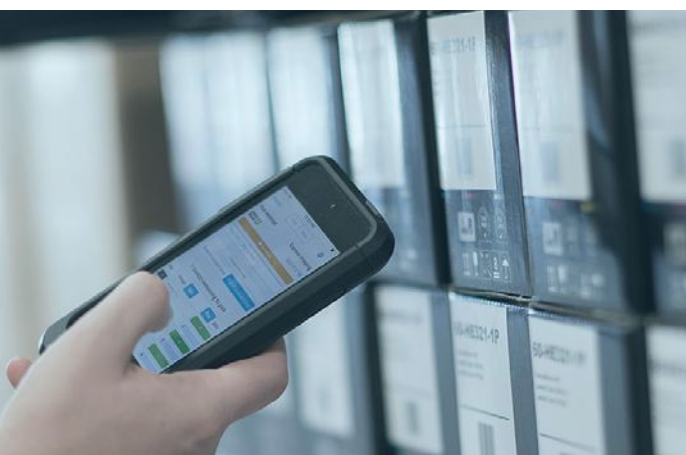
ORDERS

The way you manage orders can make or break your retail business. If your orders from different sales channels aren't integrated into a central system, you'll only ever see part of the story, and that limits your ability to run an efficient operation. Ideally, you'll have the option to receive orders

- ▸ in your bricks-and-mortar outlet or pop-up shop
- ▸ through your ecommerce store
- ▸ from a marketplace, such as eBay or Amazon
- ▸ over the phone
- ▸ at your warehouse
- ▸ literally anywhere you can take a tablet device.

Each retail business has its own processes—some prefer to batch process their orders for streamlined shipping, while others prefer to get their goods out the door as soon as an order comes in. Whichever approach you choose, the faster you can process your orders, the more customers you'll be able to serve. That's one reason why all-in-one retail platforms have become so popular. When your ordering system can see stock levels in real time, you can automatically allocate orders to warehouses based on availability and customer location, saving time and speeding up your fulfilment process.
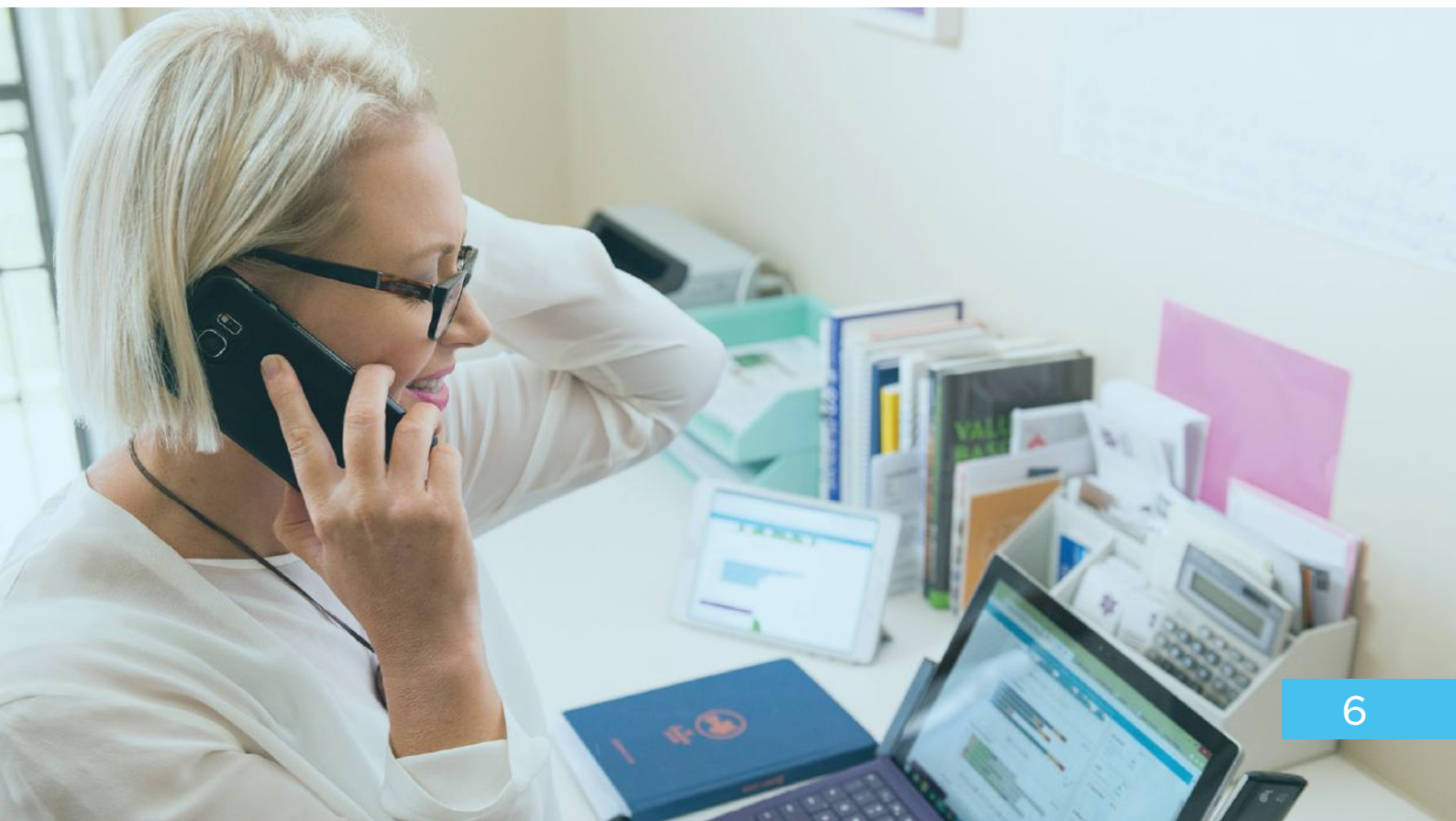
PAYMENTS

If you're looking for the fastest moving field of retail technology, it's probably payment processing. Shoppers now have numerous ways to pay that seemed like a dream just ten years ago, like tap-and-go payments from credit and debit cards, and mobile wallets.

At your point of sale, customers expect to be able to pay by cash, gift card, credit card, or debit card. Online payments are usually card-based, but customers often want convenient third-party processors, like PayPal, where they won't need to enter card details again and again. That's especially true for mobile shoppers, who account for one-third of online transactions. And with some retail platforms, you can integrate buy now, pay later services like ZipPay and Afterpay, to entice your customers to spend more without fear of overdrawing their accounts.

But wherever they're shopping, customers find it immensely frustrating to get to the checkout only to find you don't accept their preferred payment method. You're likely to lose business if your retail platform doesn't give your customers the options they're looking for, especially when it's so easy for customers to investigate other options before they even exit your store.

Retailers need to balance their customers' preferences against the cost of providing more payment options, so look closely at the different fee structures and what you're getting for your investment. All reputable providers should have fraud prevention measures in place, and you'll usually find that combined payment providers charge higher fees per transaction, while merchant accounts have higher setup and monthly account charges.
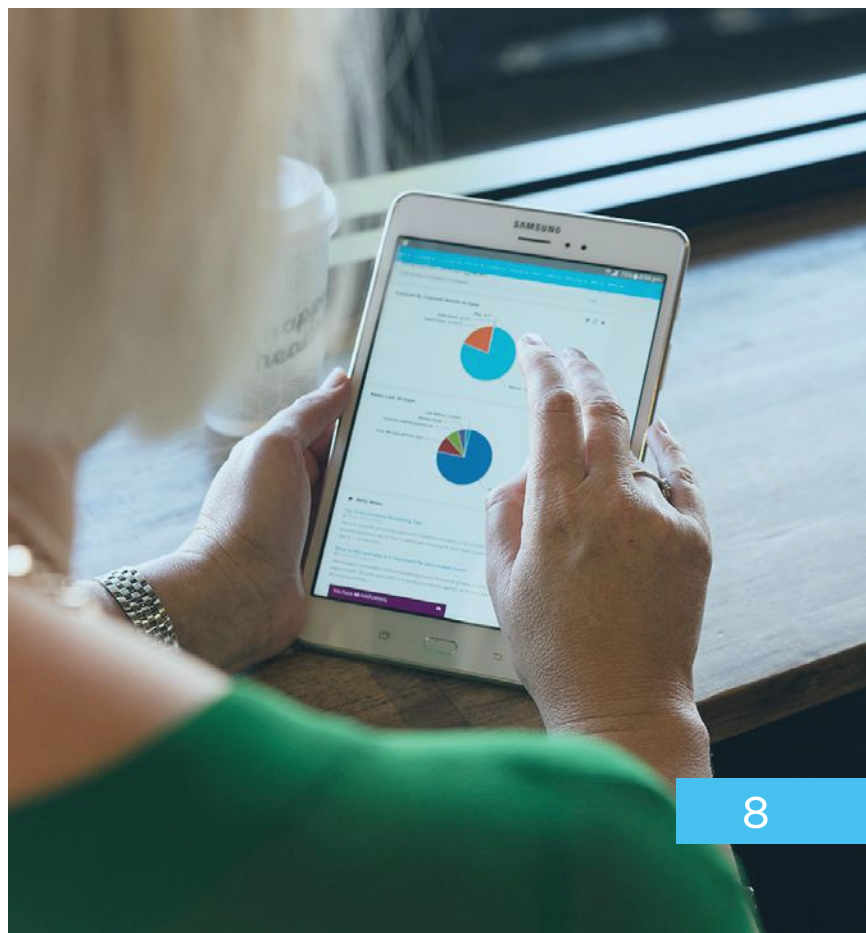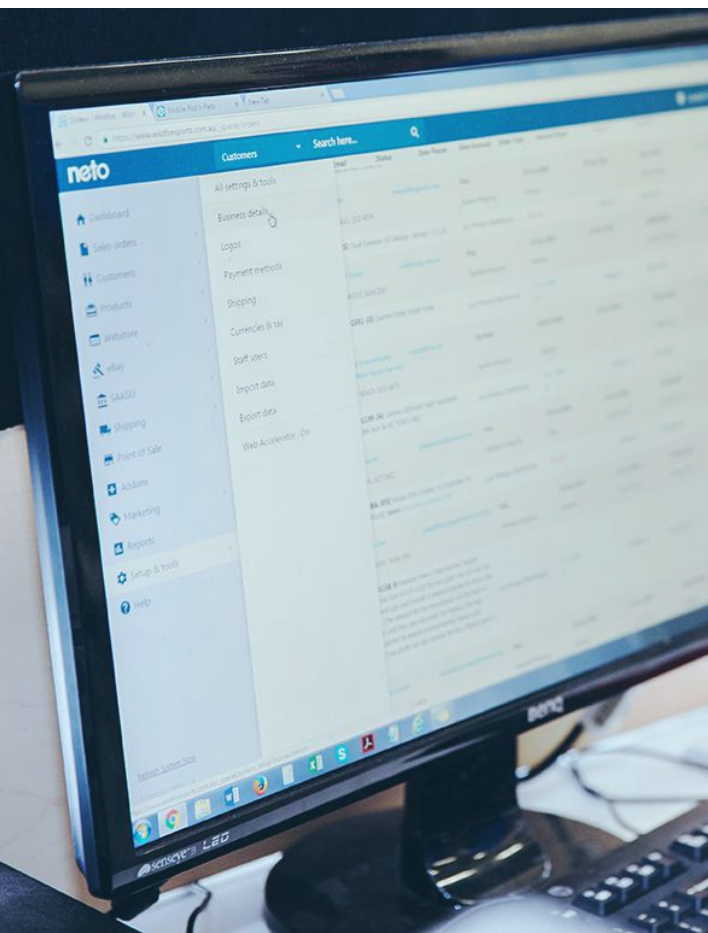
CUSTOMERS

Customers are at the core of everything retailers do; they're the reason the retail sector exists. So the more you understand about your clients, the more likely you are to meet their needs. And they can be demanding!

To begin, retailers need to recognise loyal customers across all sales channels, so that the first time your frequent eBay buyer strolls into your bricks-and-mortar store, you recognise them as the loyal customer they are. A centralised database that links customers to orders also enables you to track your customers' purchase histories, understand their customer journey, and offer them a personalised experience, no matter where they are.

The good news is that you can meet most customer demands simply by choosing a retail management platform that puts their information at your fingertips—and theirs. Yes, some platforms even help your customers to help themselves by letting them track their own purchase history, lodge returns, and make layby payments, and check the status of their loyalty points program. And you can make life even easier for your staff by integrating your customer database with other systems you use for for customer relationship management, email direct marketing, or customer support. This avoids the need to manually transfer data between systems.

PICK, PACK AND DISPATCH

Order fulfilment is the step in your retail process where you deliver on your promise. (Pun intended.) Customers expect high-speed, low-cost shipping and they expect to be kept informed throughout the whole process. This is impossible to achieve unless you're using efficient systems that optimise your processes.

Fulfilment technology has advanced over recent years, and there are many options available to retailers that work with or alongside your retail management platform to make life easier for your staff, including

▸ real-time shipping quotes from multiple carriers for customers and staff

▸ automatic selection of the cheapest carrier option

▸ picking slips and shipping labels printed directly from orders, to reduce errors

▸ mobile apps, web apps, or barcode scanners to speed up order picking

▸ integrations to drop-shipping and third-party logistics providers

▸ transactional emails to keep your customer informed of their order's progress.

By taking advantage of these offerings, you'll minimise errors and reduce the time staff spend picking, packing, and labelling products for dispatch.
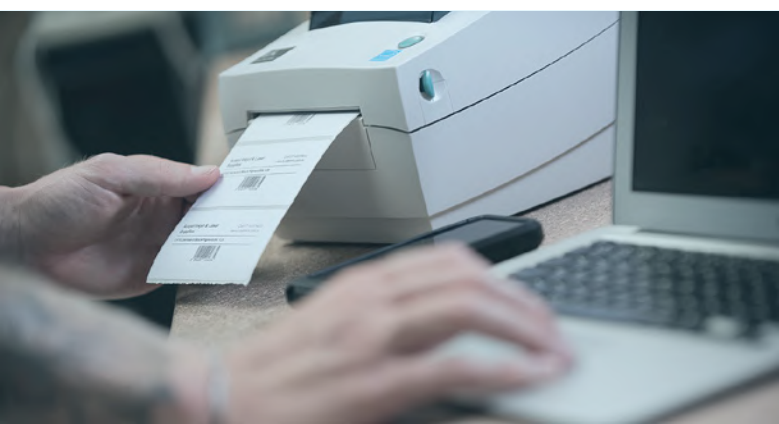
REPORTING AND ANALYTICS

One of the big changes in retail management over the past decade has been the availability of business reporting and decision support tools. Retailers' requirements vary between market verticals, and each person in your business is likely to need a different view of the information, which is why these tools usually combine customisable widgets into smart dashboards. Business owners can analyse financial performance using the metrics that matter to them, and drill down into the detail where necessary, while store managers can review individual staff performance.

Other business intelligence (BI) platforms offer advanced analytics that you won't find bundled into all-in-one retail platforms. If you're interested in using these BI tools to support your business decision making, you'll need a way of transferring data from one system to the other. It's considered best practice for cloud software vendors to give you easy access to your own data, rather than locking it into the specific platform. So your retail platform should provide a tool for exporting your reports on orders, payments, customers and inventory, which you can then use with your favourite spreadsheet or BI platform.

ACCOUNTING

Accounting platforms also offer reporting tools that help business owners track their performance. But they play a key role in regulatory compliance and meeting your tax obligations, too, so they deserve some extra attention.

Whether you've hired a full finance team, a single in-house bookkeeper, or a consulting accountant, the best way to keep track of all your business transactions is with a dedicated accounting package. It's also the quickest way to produce your financial statements at the end of each reporting period.

If you've already got an accounting platform, you've probably noticed that it duplicates some of the features you'll find in a retail management platform, like inventory management, purchase orders, and customer payments. But these are basic versions of the features, designed to deliver the bare minimum to all types of businesses, rather than a complete solution for ecommerce or POS retailers.

That's why successful retailers use both a retail management platform and an accounting platform. You can avoid double-handling your data by pairing platforms that can automatically sync customer orders, purchase orders, inventory, invoices, payments, and details of customers and suppliers.

PRICE YOUR WAY TO PROFIT

Optimising your back-office operations helps you run an efficient, headache-free business, but it also brings another benefit: everything you need to price your products appropriately. With a good understanding of all your operating costs, you're better able to identify the margin you need to ensure your business is profitable long into the future.

You'll always be limited by what the market is willing to pay for your products, which will depend in part on your brand promise. So send a clear message to your customers about whether you're offering lower prices, more value for money, or premium products and services for a premium price. But you have more control over the costs in your business, and if you can make make it cheaper to buy, store and sell your stock, you can make the same amount of profit at a lower price point.

This means effective inventory management should be a key part of your pricing strategy. It ensures you always have enough stock on hand to meet customer demand without incurring extra storage expenses like retail and warehouse leases, wages, utilities and insurance. And if you can view inventory and sales reporting together, you'll be able to time your discount offers and stock transfers to clear out items poor-performing items before they reach end-of-life.

A pricing strategy that's built on your business data rather than gut feel is better able to deliver a profit for your business and value for money to your customers. By streamlining your back-office operations, you'll be able to offer year-round competitive pricing and well-timed discounts to stay relevant in your market vertical and deliver on your customer promise.
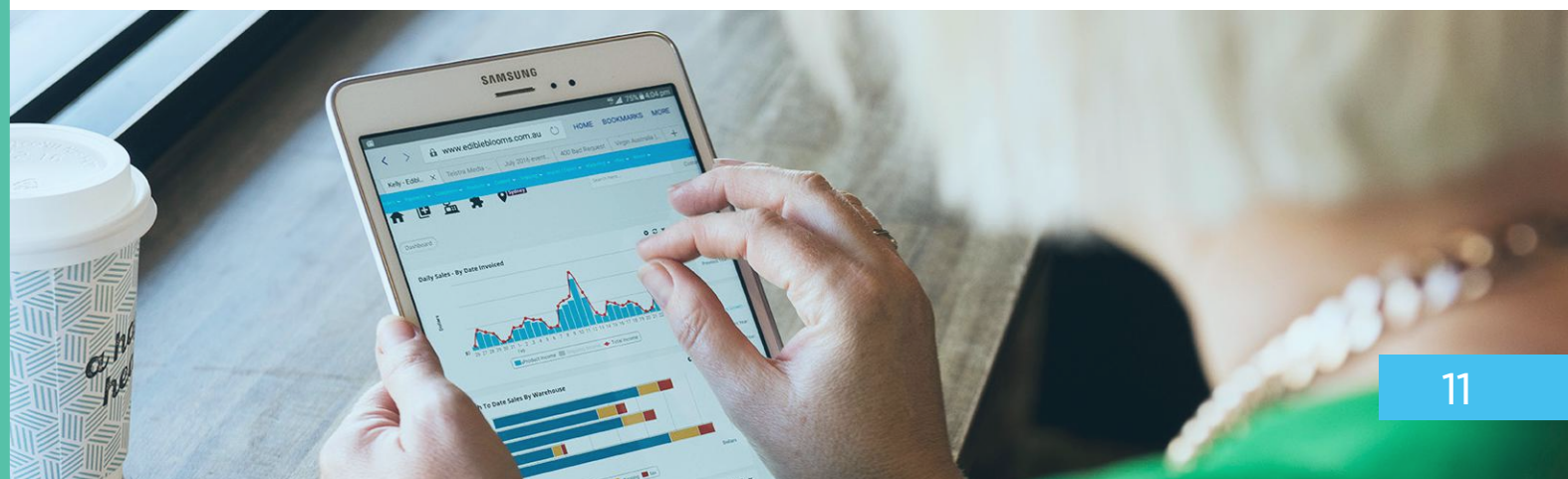
AUTOMATE YOUR BUSINESS WITH NETO

The key to a profitable business is running an efficient back office uses the latest technology to speed up your processes and minimise your operating costs. To do this, you'll need a retail platform that empowers you with business intelligence and agility across all back-office management tasks. Only a true omni-channel retail management system can give you this unified view of everything that matters to your business across all sales channels

THAT'S WHERE WE CAN HELP.

Neto is the only Australian retail management platform that provides a complete solution for ecommerce, point of sale, inventory, and fulfilment. Our integrated back-end technology enables exceptional and consistent customer experiences via any channel, be it in-store, online or through a marketplace. We automate repetitive tasks and integrate with multiple sales channels to manage orders and shipments.

To see for yourself how Neto can turn your omni-channel strategy into a reality, start your free trial today.