

Tier-One M-Commerce Functionality For Small-To-Midsize Retailers

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Executive Overview: The Expanding Mobile Market

Explosive growth in the smart phone market and research into how consumers are using their phones leave absolutely no room for doubt: retailers must leverage mobility to stay competitive. Everyone has a cell phone, and according to virtually every analyst paying attention, by the end of this year more than half of the devices consumers are carrying will be smart phones, up from 27% in 2010. What's more compelling than the fact that consumers are *buying* smart phones is what they're *doing* with them.

A recent comprehensive report from IHL indicates that 41% of smart phone users have used price-checking applications to shop competitive sites while they were in a store. More than 35% have received and/or redeemed retail coupons they've received on their phones. ABI Research predicts that by 2015, mobile transactions will account for \$119 billion of retail sales.

Clearly, the stage is set for mobile retail to explode. This presents an exciting opportunity for small-to-midsize retailers to get ahead of the curve by exercising your greatest competitive advantage: the agility that your larger competitors lack.

The Small-To-Midmarket Advantage of Going Mobile

With the market domination of the iPhone, Android, and Blackberry platforms came a migration from the limitations of mobile marketing via SMS (short message service) to the deployment of actual mobile applications that facilitate retail sales. Small-to-midsize retailers took notice, and at the April, 2010 Celerant User Conference more than 100 Celerant customers rallied around the potential to take their sites mobile.

By extending their sales channels to the mobile

How Consumers Want To Use Their Phones To Shop



device, retailers can give consumers anytime, anywhere access to the attributes of the online shopping experience – including product reviews, information, promotions, and checkout – in the palm of their hand. A mobile commerce offering bridges the gaps between traditional e-commerce and in-store shopping, profoundly extending the shopper's personal experience with your brand in a way we've never seen before. Many tier-one retail brands have paved the way, leading toward a collective consumer embrace of the mobile device as a shopping tool.

Of course, small retailers struggle with budget and labor concerns that their larger competitors don't. But what you lack in expendable budget and labor, you make up for in agility. Taking the cue from its user base, Celerant set out to develop mobile applications that could be deployed without great expense, leveraging its core strength – a cross-channel retail management platform driven by a single-instance database. Herein lies the competitive advantage for small-to-midsize retailers. Where tier-one retailers have for the most part extended their e-commerce and mobile initiatives on disparate platforms that largely increase

overhead and decrease cross-channel inventory visibility, Celerant set out to develop a mobile application that draws from the resources it has already successfully developed and deployed. The theory: If you can manage sales and inventory across each channel from one place, using one database, you save the time and money you would have spent managing disparate tasks and fulfillment models. If you centralize inventory, you don't need to expand your warehouse infrastructure – you can fulfill any order from any channel from a single inventory repository. It's a concept that many big retailers also aspire to, as evidenced by Macy's President of Logistics Peter Longo's comments at NRF last January, where he stated his company's desire to treat each of its 900 stores as e-commerce fulfillment centers.

Coming out of its 2010 User Conference, Celerant determined that for its customers, that which is difficult and expensive for retailers like Macy's to achieve was only a few months of development away. By the end of 2010, Celerant customers including Destination Baby and Tennis Express went live with mobile Web applications that cost them very little to deploy and brought tier-one functionality to their customers.

Mobile Should Extend, Not Reinvent

Celerant Director of Web Services Zeke Hamdani knew that small-to-midsize retailers would balk at a mobile initiative that required additional hardware, server, and license investments. Creation of a proprietary sub-domain and the infrastructure and management expense that comes with it – the approach many retailers have struggled with in the early going – was not an option. Instead, Celerant developed its mobile commerce offering on the premise that it was merely another “presentation layer” of its proven e-commerce platform. The result was a mobile “mini site” that draws from the retailer's parent site, leveraging its existing e-commerce architecture. There is no separate resource to manage – the same interface used to update the traditional e-commerce site with new prod-

Personalizing The Shopper Experience

In an age marked by demand for consumer personalization, specialty retailers in many segments are searching for ways to bring the interactive store experience to their electronic channels. In stores, associates can assist consumers on their own terms and demonstrate how the products they sell can be customized to meet a shopper's wants and needs. This is especially true in segments where product configuration is a key selling point – think furniture, home improvement, electronics, and personalized apparel. To help its customers extend this function to the Web, Celerant will soon release a product configurator for its e-commerce offering.

The Celerant product configurator will allow consumers to make color, fabric, and style selections for a new couch, for instance, and see a graphic representation of their creation prior to purchase. In sporting goods, where Celerant has a solid foothold, consumers will be able to personalize team apparel by customizing colors, logo placement, and adding their name to a jersey. In electronics, where the sale of such items as laptop and tablet computers is highly customizable, shoppers will be able to configure their machines to meet their specific size, memory, performance, and style needs. The tool will be intuitive, featuring drag-and-drop functionality that consumers are familiar with.

Because the product configurator is based on functionality that Celerant developed years ago for its customers in the apparel sector, the new tool will require minimal integration effort. It's yet another demonstration of the company's commitment to bringing tier-one e-commerce functionality to small-to-midsize retailers.

uct attributes and images feeds the appropriate data to the m-commerce site as well.

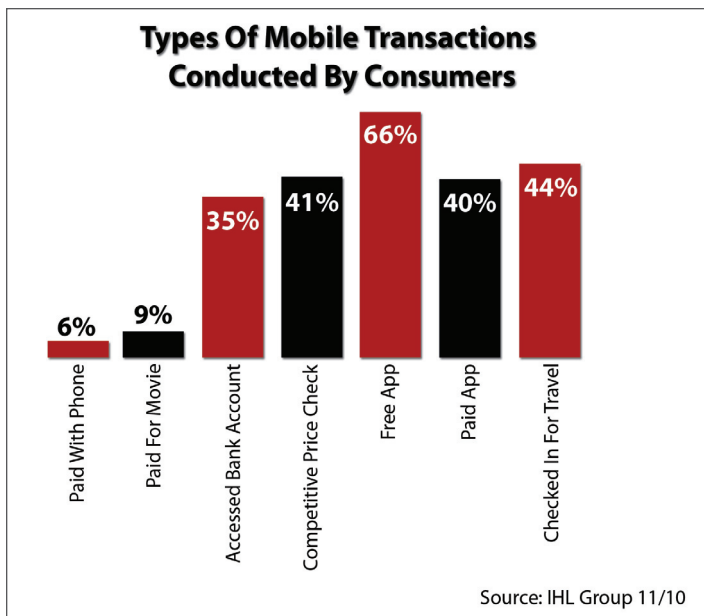
While not as graphic-intensive as its fully functional, high-end e-commerce sites, Celerant m-commerce sites are optimized for mobile browsers. They load quickly and retain all the “must-haves” of a full e-commerce site, such as product search, categorical browsing, product detail views, and shopping cart/checkout functions. This approach helps retailers avoid a notorious early pitfall of m-commerce – slow site load times and hang-ups that ruin the customer experience and result in lost sales opportunities.

In the case of Destination Baby, the Celerant m-commerce site also features access to gift registries, where consumers can search and purchase registry items for expectant mothers, and where those mothers can track, manage, and edit the items in their registry. Updates and purchases made via the m-commerce site, traditional e-commerce site, and stores are all processed from a central database, eliminating the potential for channel-specific registry disparity. For more information on the Destination Baby deployment, read the case study here.

Playing off the single-repository-of-inventory approach, Celerant’s m-commerce solution features on-the-fly decision making logic for fulfillment. When an e-commerce order is placed – via the mobile site or otherwise – the logic kicks into gear and determines the most efficient means of order fulfillment. If the ordered item is available in ten different stores and a warehouse, for instance, the system uses pre-defined parameters, such as shipping costs, store staffing, and inventory levels, to determine which location should field and fulfill the order. In this way, the system facilitates the most efficient order processing output without the addition of dedicated resources.

Building Mobility On A Firm Foundation

A central database that drives a single version of the truth across channels is the foundation of the Celerant Command Retail framework. It’s this base architecture that creates cross-channel agility for



small-to-midsize retailers, enabling the portability of commerce features such as inventory management and the aforementioned gift registry across sales channels. From the consumer’s perspective, the framework facilitates what so many retailers are striving for – a seamless customer experience at every touch point.

Celerant was among the first retail software providers to commit to this architecture, and certainly the first to bring it to the small-to-midsize retailer. And while the foundation of its solution is built on providing a holistic platform for the management of retail operations, sophisticated reporting tools allow retailers to drill down on the performance of specific channels, too.

Clearly, extension of your enterprise is necessary to meet the demands of the new, mobile consumer. What’s clearly *not* necessary is an overextension of your resources to accommodate those demands.

Visit www.celerant.com or contact your Celerant representative today to see how simple and inexpensive it is to bring the power of m-commerce to your customers.

About Celerant

Celerant Technology is a privately held Corporation, providing high quality, advanced retail management software systems to retail organizations. Celerant CEO, Ian Goldman, comes from a retail management software background and founded Celerant Technology to build an entirely new type of retail system from the ground-up. The software that resulted uses Java technology to solve data integration issues with an all-in-one system, seamlessly integrating all areas of retail, in real-time.

Celerant Technology is atypical when it comes to comparing it to other enterprise-solution companies. Our approach is more individually focused rather than mass-produced. In addition to traditional planning, implementation, training and support services, Celerant provides a range of customized services designed to serve the more complex retail enterprises. These services include custom development, integration with ERP and legacy systems, and integration with alternative points of presence. Celerant Technology's headquarters are located in Staten Island, New York with satellite offices in Georgia, Oklahoma, Florida, and Washington State.

Our real-time management system, Celerant Command Retail, integrates all channels of a multichannel retail enterprise, including POS, warehouse, inventory management, sales back office, datamining, open-to-buy, mail order/catalog and e-commerce. Celerant's custom, sophisticated websites expertly manage and market inventory, directly from your Command Retail system, eliminating the need to re-enter data, including product descriptions, customer information and online orders. Celerant's flexible catalog/mail order module, also built within the system, allows you offer multiple catalogs simultaneously and track the different codes, along with varying price levels. Our advantage is the flexibility of our Java platform and the tight integration, allowing retailers to manage all channels of their business with one, scalable, real-time system.

Our Mission

Celerant Technology promotes business growth and efficiency through innovation and technology.

We understand the unique challenges and demands retailers face each day. As a result, our in-house programming team has created an advanced retail management system which exceeds these needs. The fact that our software is developed in-house, allows us to specifically focus on each individual retail business. Our extensive, customizable software provides retailers with sophisticated tools to manage every area of their business operation as efficiently as possible.

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