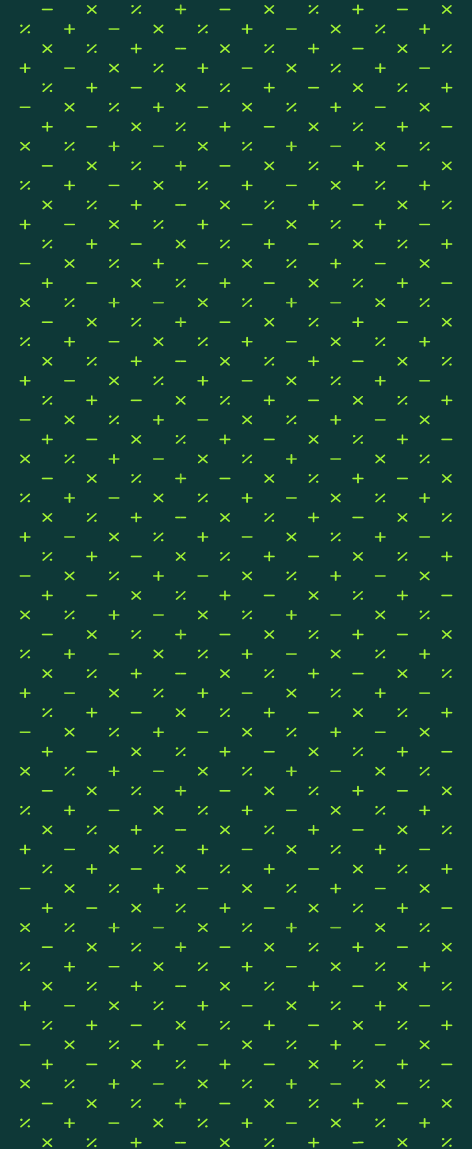




MOSSADAMS

Increase Your E-commerce Company's Capability for Growth

August 2021



E-commerce Series Leader



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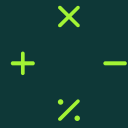
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Agenda

01 E-commerce trends

02 Growth strategies

03 Customer experience

04 Processes & procedures

05 Privacy Paradox



E-commerce is Changing Rapidly

The pace e-commerce growth was already accelerated, but the COVID-19 pandemic sent it into warp speed.

US

E-commerce sales are expected to reach nearly \$194.4 billion* in revenue by 2024.

Worldwide

By 2022, global e-commerce sales are expected to reach \$6.54 trillion*, nearly double the expected volume of 2017

*Source: [Statista](#)



Key Technology Trends Shaping E-commerce

USER EXPERIENCE

Easy to find and navigate, simplified checkout, the “right amount” of data, actionable/interactive content, video, social, augmented/virtual reality

MOBILE ENHANCEMENT

Worldwide mobile retail revenue is expected to reach \$3.57T in 2021 (up from \$2.91T in 2020)

PERSONALIZATION & CUSTOMIZATION (WITH SECURITY)

AI-powered technology that drives a high degree of personalization, such that each customer is treated as an individual target segment, rather than a part of a generalized mass. However, this must come with security and transparency

EASE OF TRANSACTION

eWallet, easy check-out and payment, information collected/retained

FULFILLMENT & INVENTORY

Fast, cheap, and personalized (omnichannel) for the buyer. Enhanced inventory and lifecycle visibility for the seller.

*Source: [Socialnomics](#)



Mobile is No Longer a “Nice to Have”

According to Forrester’s mobile payments forecast 2016-2021, mobile payments in the EU-7 are expected to rise at a compound annual growth rate (CAGR) of 19% to reach \$148 billion by 2021. Forrester also predicts that in-person mobile payments will become a fast-growing segment, while remote mobile payments will constitute over 65% of mobile payments by 2021.

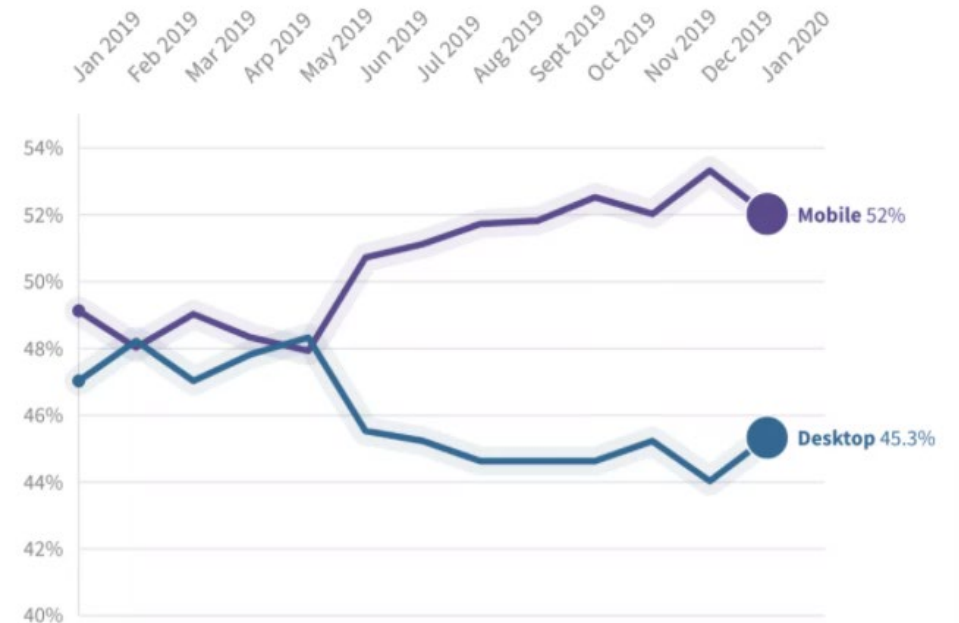


Chart by MerchantSavvy.co.uk

POLLING QUESTION

What's your business model?

- A. B2B
- B. B2C
- C. Both



Business Models

Many companies focus on either B2B or B2C, but more companies are choosing both go-to-market models. While there are many similarities within the models—like exemplary customer service and ease of transactions—there are significant differences you must understand and manage to expedite growth. A few of these areas are:

- Buyer role and decision making
- Transaction size, volume, and frequency
- Item information, catalogs, and pricing
- Payment and shipping terms
- Roles and permissions in sales cycle



Key Areas Software Can Drive Company Growth

Software and technology can help e-commerce companies scale and mature key processes that enable growth.

A few key areas are:

- Customer connection and experience
- Business process automation
- Financial and operational reporting and management
- Real-time inventory and supply chain visibility
- Balancing privacy and protection with personalization

Why Does Customer Connection and Experience Matter?

Great customer experience supposedly leads to larger returns and higher ROI, right? We can back up that conventional wisdom with data.

Here are four key stats to make the case for investing in a great customer experience:

- Brands with superior customer experience bring in 5.7 times more revenue than inferior competitors.
- Almost 90% of customers stop doing business with a brand after a bad experience.
- It takes 12 positive customers to make up for one negative experience.
- 86% of shoppers are willing to pay more for a better customer experience.

Customer Connect and Experience

We've established customer connection and experience is key to a successful e-commerce business. Using a software program can help your company drive growth and enhance the customer experience.

How technology can help drive growth in this area:

- Know your customers and their buying habits
- Deliver personalized, seamless shopping experiences across channels and platforms
- Provide the right amount of data at the right time for each buyer
- Keep the transaction and check out straightforward and simple—including returns, refunds, and exchanges
- Customer support: access to *Customer 360* information to personalize and increase level of support

POLLING QUESTION

What are your biggest concerns about resource planning?

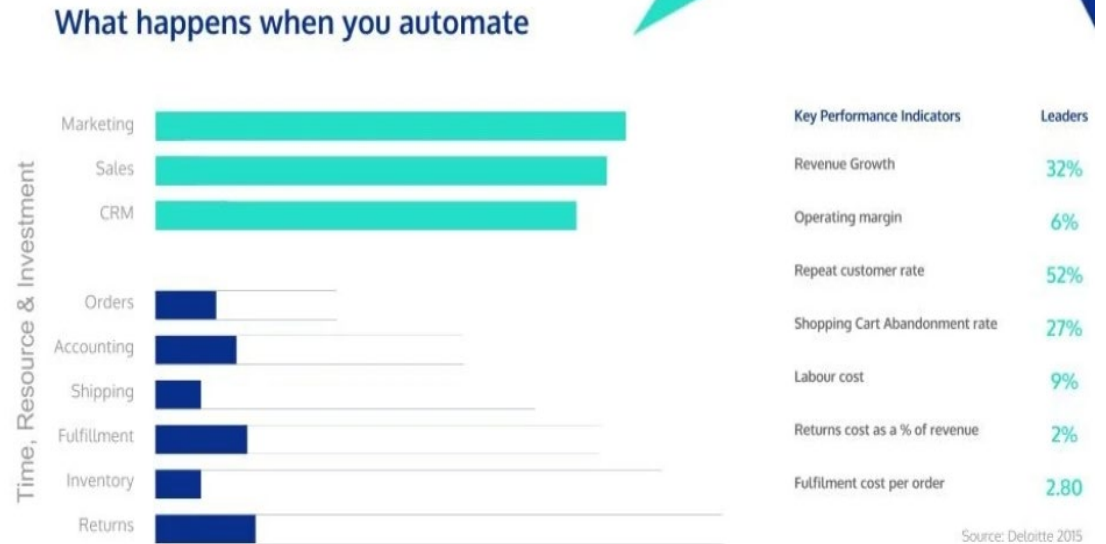
- A. Scaling growth needs
- B. Strategic planning
- C. Available in-house resources
- D. Automating manual processes
- E. All of the above



Business Process Automation

Business process automation is critical in driving both customer experience and cost control and containment. Key areas of business process automation for e-commerce companies:

- Connection between marketing, store experience, delivery, packaging, etc.
- Customer follow-up and cart abandonment
- Sales order processing
- Automate the flow of information from sales and operations into accounting



Financial and Operational Reporting and Management

Automation and data are critical to successfully operate and grow an e-commerce business. Without the ability to see, understand, and act on this information, decision-making is difficult, fragmented, and non-actionable.

This leads to poor agility and the inability of the business to make critical decisions to effectively operate the business in real-time.

Key areas of focus in financial and operational reporting and management:

- Understand what information you need and relevant measures (KPIs)
- Look at the data across processes, roles, etc. needed to effectively understand the business
- Make access to (and use of) information and reporting easy for the people that run your business

“It’s very easy to boost conversations through aggressive discounting, digital marketing, and free shipping offers. But the bottom line’s the bottom line.”

-Linda Bustos, E-commerce Illustrated

Real-Time Inventory and Supply Chain Visibility

REVENUE GROWTH

The strategic management of pricing, inventory, and distribution processes aims to increase company revenue.

Rapid, cost effective, and on-time delivery is a key differentiating factor for e-commerce companies. Effectively managing inventory levels and locations has become a critical focus area.

Management of inventory and supply chain is playing a critical role in the following areas:

1. Customer visibility to inventory on-hand (reduce surprise out-of-stock notifications)
2. Adjust inventory to meet customer need based on sales volume, location, etc.
3. Increased profitability driven by inventory “right sizing”, automated processes to decrease costs, and effective fulfillment to increase speed and control costs



Real-Time Inventory and Supply Chain Visibility

Software in this area can make a significant impact on your success. Look for programs that can meet your business model and scale with you.

Depending on your model, options like these will likely be highly important:

“Retailers report that the average cost for the company to fulfill an order is staggering at 70 percent of the average order value.”

-Radial

1. Multichannel selling and fulfillment through more than one online or physical store
2. Multisite synchronization of fulfillment across all warehouses and fulfillment centers
3. Automated planning, inventory management, proactive planning, and ordering of items
4. Real-time visibility for inventory for customers, support team, and operations teams across all locations



Balancing Privacy and Protection with Personalization

PRIVACY PARADOX

There's an apparent inconsistency between customer concerns about privacy and actual online behavior.

Organizations are losing opportunities to create great customer experiences due to needlessly risk-averse privacy ideas that limit the use of personal data. The key is to bring value to customers and keep data use in context.*

* [Gartner](#)

72%

of customers said they would stop purchasing a company's products or services due to privacy concerns

Source: Salesforce, 'State of the Connected Customer, 2019.'



Balancing Privacy and Protection with Personalization (cont.)

KEY STEPS TO CREATE THE BALANCE BETWEEN PRIVACY AND PERSONALIZATION

- 1. Stay compliant.** Know [privacy principles](#) and requirements such as the EU's [General Data Protection Regulation](#) (GDPR), as well as personalization.
- 2. Strong security policy and process.** Drive the business to define and implement a strong cybersecurity policy and processes to protect your customers and their data.
- 3. Define CX strategy.** Understand and define the value of personalization and the requirements for using individual level data. This creates a more refined, trusted, and contextualized [optimal CX](#).
- 4. Make data collection enhance the experience.** Map the collection of information with the value the user will gain. Use their data to enhance their experience with your brand and make them more efficient but stay in context.
- 5. Be transparent with users.** Build customer trust by establishing best practices for transparency, incorporating privacy and employee training on ethical data use.



Action Items for You and Your Organization

Asking the four questions below should begin to establish how your technology footprint is helping to manage and grow your business effectively.

1



Do your processes & systems automate and scale to meet customer demands and business needs?

2



Are you able to understand and control costs effectively?

3



Do you have real-time visibility and actionable insight to data across all processes?

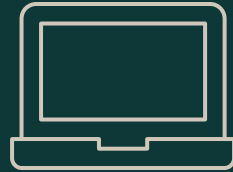
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Do you make the customer journey available, easy, intuitive, and connected?



E-commerce Series: Up Next



**CLOSE DEALS AND POSITION YOUR E-COMMERCE
COMPANY FOR SUCCESS**

September 9, 2021 at 10am



➤ QUESTIONS

Let's start a conversation.

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