OMS is an Omnichannel Imperative

Michael Sonier
Head of Omnichannel Product
Magento Commerce
Consumer and competitive forces are driving higher shopping expectations.

- 91% ETA for orders to store or home
- 89% View local store inventory online
- 86% Buy online and return to a store
- 73% Ship to a local store
- 61% Buy online & pick-up in store
Retailers who employ OMS realize clear ROI...

20 - 30+%
Incremental Sales by Ship From Store

1 - 10%
Incremental In-Store Sales Lift with Endless Aisle

30 - 40%
POTENTIAL ATTACHED RATES FROM BOPIS

30%
Higher Lifetime Value of Shoppers that Buy on Multiple Channels vs. Single Channel

1. EE/Magento Merchants
2. Forester Research
3. Multi-Channel Merchant
Resulting in rapid YOY growth in omnichannel services...

U.S. Merchants Offering Omnichannel Services

- **Buy online, pick up in-store**: 21% in 2015, 44% in 2016
- **In-store return or exchange of online purchase**: 19% in 2015, 61% in 2016
- **Ship-from-store**: 14% in 2015, 42% in 2016
- **Ship-to-store**: 11% in 2015, 28% in 2016

Source: Business Insider
Significant strategic investments.

An omnichannel combination of online and in-store goods where customers can go to their local Whole Foods and pick up their entire Amazon order.

Whole Foods has been experimenting with home delivery; may make sense for Amazon use stores as mini-warehouses that can support delivery services.

“We will see a renaissance in physical space and a new paradigm for online shopping that merges intelligent technologies, hyper-personalization, and seamless cross-channel engagement.”

- Brian Solis, Principal Analyst at Altimeter

Source: Forbes
OMS makes possible true omnichannel experiences and optimized fulfillment processes.
Magento Order Management

Distributed Order Management
- Order state & event management
- Order orchestration & routing,
- Partial shipments, order splitting
- Presales, backorders, returns

Global Inventory
- Track inventory at any node
  - Stores, vendors, DCs
  - In-transit inventory
  - Intelligent sourcing and allocation

Store Fulfillment
- Ship-from-store
- Store pickup, click & collect
- Ship-to-store
- Pick-and-pack
- Carrier integration

Customer Service
- Order details/ status lookup
- Order modification & cancellation
- Appeasements/ refunds/ credits
- Order escalation workflow

In-Store
- mPOS
- Clienteling

- Endless aisle
- Mobile pick/pack/ship
Magento Order Management by the Numbers

1800+ stores
20+ brands
34 geographies
55 SI partners trained and enabled
40% decrease in deployment time and cost

72% of recent deployments done by partner

$120K average of recent partner implementation fees

40% of pipeline is partner sourced

7 weeks recent deployment from discovery to launch
Recent Wins

UNIVERSAL

MADISON:UK

Serta

SIMMONS

optaros

UNIVERSAL MUSIC GROUP

redbox

Rural King
America’s Farm and Home Store

DEVLYN

CREATIVITY

Alshaya

BENTLEY

Gabor

BLUEBADGER

TECHDIVISION

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Case Study: DEVLYN

Pain Points & Opportunities

10X

Store vs. Online Inventory

Lost sales and conversion due to only serving up portion of overall inventory

1-2 Pieces

Shallow inventory in Stores

Lost sales due to limited assortment in stores
Case Study: DEVLYN
Omnichannel Growth Enabled by Magento Digital and Order Management

200% Increase in Endless Aisle Sales
Associates with better access to inventory in digital warehouse and other stores

165% Conversion Increase
Exposé store inventory online
M2 UX/checkout enhancements
Empowering our Partners

- **Future**
  - Effort in improving developer experience, training and documentation
  - Self service deployment
  - Quality and production code partner development environments

- **Current**
  - New 100% partner lead model with Magento OM support
  - Deployment effort ~48 hours

- **Transition**
  - Transfer of effort to the partner
    - I16 project
    - Documentation and training
  - Reduction in deployment effort

- **Original**
  - 100% internal effort
  - ~500 hours deployment

Legend:
- Magento Onboarding
- Magento Tech Support
- Magento PM
- Magento SA
- SI Tech
- SI PM
- SI SA
Questions?