

2019



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Unified Commerce
Survey

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Key Findings

Customer Expectations

Retailer Opportunities

The Mobilization of Retail

64% choose a store based on product information availability via their mobile device



plan to improve the mobile experience to ensure they are meeting their customers' expectations **41%**

The E-Commerce Effect

81% purchase online at least once per month and 89% browse online at least once per month



plan to offer a live chat option on their website to enhance the online shopping experience **71%**

The Changing Customer Experience

68% would choose a store that offers personalized promotions/ discounts over a store that doesn't offer them



need to improve their ability to utilize customer insight to meet their customers' expectations **68%**

The Need for Unified Commerce

87% are interested in a personalized and consistent experience across all channels



plan to offer the ability to 'start the sale anywhere, finish the sale anywhere' to their customers **71%**

The Future of Retail

57% would choose a store offering an automated returns process over one that doesn't offer it



plan to offer an automated returns process within two years to offer more self-service opportunities **38%**

“87% of consumers indicate an interest in a personalized and consistent experience across channels yet only 28% of retailers currently offer a shared cart across channels. While retailers are working on updating technology, processes and the organization, they are still lagging customer expectations in many key areas.”

Perry Kramer, senior vice president, BRP

Introduction

The traditional retail model has experienced significant disruption over the last decade. This disruption is driven by new technologies putting additional information and enhanced functionality into the hands of both customers and associates. This, in turn, has increased customer expectations as she now has more shopping options than ever before with more competitive pricing, greater merchandise assortments and faster delivery to get her desired product where and when she needs it. This makes the customer journey more complicated and varied than ever before.

Consumers now start and stop their shopping journey in different channels, including online marketplaces and social media, and frequently shop for the same product across different retailers, both online and in the store. The path to purchase also varies by consumer and type of product being purchased. They expect a frictionless shopping experience across an entire brand and they don't want disruptions as they cross individual channels or locations. Consumers also expect their experience to be seamless as their “shopping cart” and browsing history follows them throughout their journey.

As retailers adapt to the new shopping journey, customer engagement models must transform. In addition to a blurring

delineation between the physical and digital environments, there is also a transformation of retail formats that includes virtual showrooms, retail as “theatre,” pop-ups, stores within stores, and more. New retail segment entrants, sometimes from non-traditional areas, bring increased competition as the retail industry continues its transformation to meet an ever-increasing and evolving set of customer expectations.

Exhibit 1
Top Unified Commerce Priorities



The growth of digital – both online and mobile – is driving demand for increased digital capabilities bundled with personalization in the store. Retailers must undergo a transformation to succeed in today’s demanding environment. This transformation requires a true unified commerce approach, delivering the convergence of the digital and physical shopping experiences to create a holistic customer shopping experience.

Retailers’ top unified commerce priorities are to create a consistent brand experience across channels (59%) by improving the online experience (52%), improving personalization (45%), and improving the mobile shopping experience (41%) (Exhibit 1). Delivering on customer expectations means not only improving what customers see, but also everything behind the scenes that is required to provide a seamless customer experience across all channels.

BRP conducted the 2019 Unified Commerce Survey to understand and address the forces affecting the retail industry, the opportunities available, and the future of retail. This report compares the findings from the 2019 Unified Commerce Survey with the results from BRP’s Consumer Study¹ to understand to what degree retailer priorities and capabilities are aligned with changing customer expectations as we move towards unified commerce.

¹ 2019 Consumer Shopping Habits – The Generation Gap, April 16, 2019, <https://brpconsulting.com/download/2019-consumer-shopping-survey/>

The Mobilization of Retail

Customer expectations

There is no denying the power of mobile technology as a major disruptor in the retail industry. The proliferation and convenience of mobile devices has completely changed shopping behaviors and elevated customer expectations. Mobile shopping will continue to grow as 41% of consumers in the BRP Consumer Study indicate they plan to increase their shopping frequency on their phone or tablet in the next 24 months.

However, shopping via a phone is just one way that mobile devices are becoming more pervasive. Many consumers use their mobile

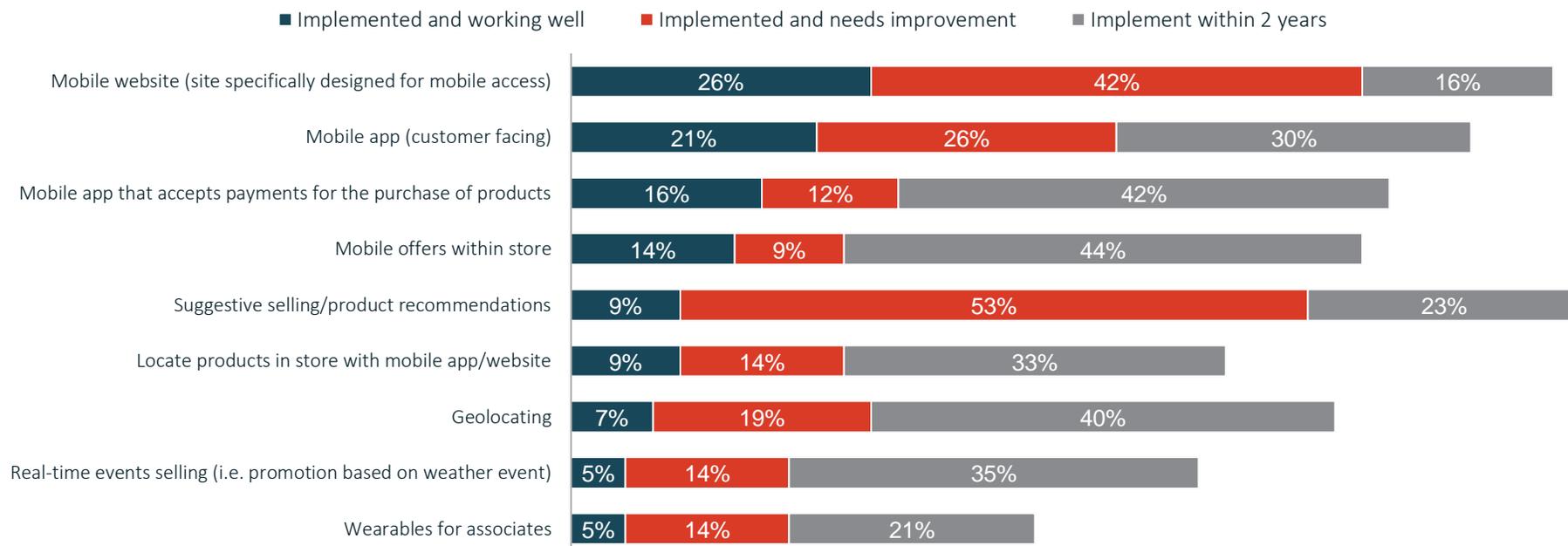


Customer expectation
64% choose a store based on product information availability via their mobile device

devices as a research tool throughout the shopping journey. In fact, 34% use their phone while in a store to compare prices and 28% look for offers/coupons.

A retailer's mobile capabilities can actually be a major driver for where a consumer chooses to shop, with 67% choosing a store based on the availability of mobile coupons and 64% choosing a store based on product information availability via a mobile device.

Exhibit 2
Mobile capabilities



Mobile capabilities

Mobile technology is driving retailers to upgrade and replace applications and systems to stay ahead of their competitors' customer experience offerings and to keep up with their very informed and technology-savvy customers. While the shift to mobile tools can dramatically enhance the shopping experience and reduce retailers' total technology costs, it brings its share of challenges. As with any new technology, these innovative mobile approaches require a fundamental change in processes and corresponding training to educate sales associates and customers to convince them to try and use the new processes.

Many retailers realize that the expansion of mobile capabilities represents a huge customer engagement opportunity. In fact, improving the mobile shopping experience is a top priority for 41% of the retailers surveyed (Exhibit 1). While the main goal of mobile technology from a retailer standpoint may be to drive sales, it is also the conduit that bridges the convergence of the digital and physical experiences.

Today, more retailers focus on mobile websites than separate native mobile apps, with 68% of retailers offering a mobile website and 47% offering a mobile app (Exhibit 2). The current trend in the industry is to use Progressive Web Apps, which combine the best of both worlds – the flexibility and comprehensiveness of a website with the rich experience of a native app. Mobile website capabilities, with many of the benefits of an app, seem to be leading more retailers to optimize their mobile websites instead of building an app to engage their customers. Whether retailers use a mobile website, mobile app or both, more than half of retailers indicate that their mobile commerce capabilities need improvement.

Mobile apps/websites are critical to customer engagement as customers research and shop across multiple channels. Even if the

Exhibit 3
Mobile app/website key features



final purchase occurs in the store, most purchases are influenced by digital features. Providing information is helpful to customers as they research and shop. Mobile features such as item availability (53%), product information (51%) and coupons and discounts (40%), help consumers make better choices and provide incentives to purchase from the brand (Exhibit 3).

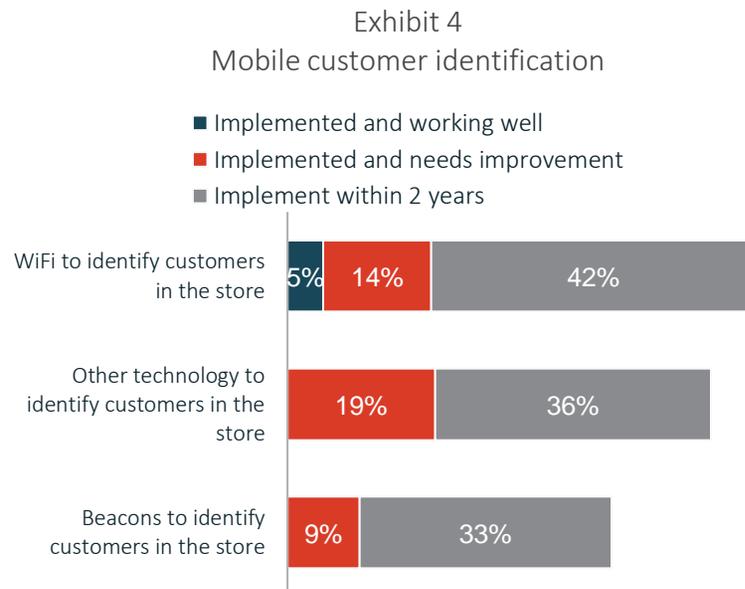
Mobile customer identification

Customer identification in the store is critical to enabling a retailer to personalize the customer's shopping experience and mobile devices play a big role in this capability. Without early identification of the customer, retailers miss critical engagement opportunities to deliver a personalized customer experience and increase sales.

Over the last few years we have seen significant progress and interest in newer technology methods utilized in tandem with the

customer's mobile phone to identify customers when they enter the store. The most prevalent technologies that retailers are currently using to identify customers are WiFi (19%), and beacons (9%) with 19% of retailers using other technologies, although in all cases there is much room for improvement (Exhibit 4).

The big trend in customer identification lies within retailers' future plans. Within two years, 61% of retailers plan to use WiFi, 42% plan to use beacons, and 55% plan to use other technology for mobile customer identification. It is interesting that there does not seem to be one technology choice that is 'winning' – retailers are embracing a number of different technologies to cast a wide net and identify and track as many customers as possible as soon as they enter the store. Offering the right value-added digital capabilities via mobile to customers as they enter the store is probably the final answer to achieving much higher customer identification, as customer identification requires consumers to opt-in.



Retailer opportunity
41% plan to improve the mobile experience to ensure they are meeting their customers' expectations

Retailer opportunities

Retailers are looking at opportunities to utilize mobile device information to identify a customer based on fraud analytics. Retailers can use the IP or MAC address or telephone number as a key identifier for developing a customer risk profile. This same information can be used in conjunction with a retailer's store WiFi to track in-store customer counts and wayfinding.

Mobile technology in the hands of consumers and retail associates is driving the transformation of the customer engagement model. Retailers must upgrade and replace mobile technology to keep up with their very informed and technology-savvy customers and to stay ahead of the competition. Implementing new technology requires a different approach to budgeting and executing lifecycle management as mobile devices have a shorter life than the technology they are replacing.

The E-Commerce Effect

Customer expectations

The invention of e-commerce has elevated consumers' expectations of the purchasing experience as consumers can now shop anytime from anywhere in the world. If the retailer can't provide the preferred item or service, the customer will move on to the competition. There is no denying the power of digital technology as a disruptor in the retail industry. Online shopping is a big part of today's customer journey with 81% of consumers in BRP's Consumer Study purchasing online



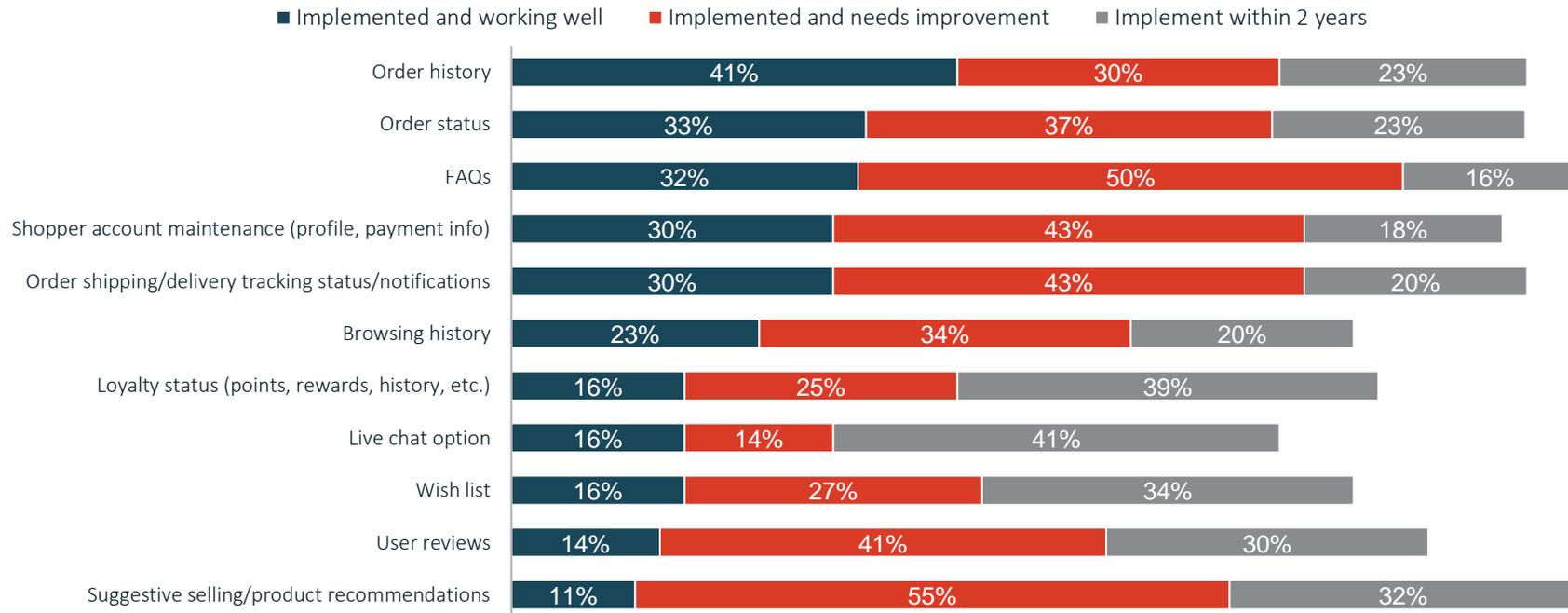
Customer expectation

81% purchase online at least once per month and 89% browse online at least once per month

frequently/occasionally and 39% of consumers anticipate their online shopping will increase over the next two years.

In addition to purchases, online tools are often used in the shopping journey as a means for researching products and brands. 62% of consumers compare prices online before ever visiting a store and 53% build an online shopping list.

Exhibit 5
E-commerce Capabilities



Comprehensive e-commerce

While mobile devices are changing the way that retailers and customers interact in the store and on the go, e-commerce is also a key piece of the digital commerce experience. E-commerce sales are expected to increase for 74% of retailers by the end of this year. It is not surprising that the percentage of e-commerce sales is expected to increase, since e-commerce is still a significantly smaller percentage of total sales than brick-and-mortar.

We asked retailers what type of offerings they had on their e-commerce site to encourage customers to use the site for product research and transactions (Exhibit 5). FAQs were the most popular offering with 82% of retailers offering it, although more than half indicate this area needs improvement. Shopper account info and order tracking were the next most popular offerings with 73% of respondents featuring this on their e-commerce site, although in both cases, 59% of retailers indicate these areas need improvement on their website. Shoppers also tend to find product reviews and consumer photos of products to be influential content when making a purchase decision online.

The feature that is on the radar of many retailers is a live chat option. Only 30% of retailers currently offer live chat, however, another 41% plan to offer it within two years. Guided or suggestive selling/product recommendations represent another great opportunity and a key component of many retailers' customer engagement strategy. Two-thirds of the survey respondents currently offer suggestive selling/product recommendations, however, 83% of these retailers indicate the features need improvement. Suggestive selling is a great tool to drive incremental sales and is fundamental in supporting further mobilization of retail and the convergence of online and in-store experiences. Wish lists, suggestive selling, browsing history, etc. need to be available and consistent from one device to the next, across channels and in the



Retailer opportunity

71% plan to offer a live chat option on their website to enhance the online shopping experience

hands of in-store associates so the customer has a seamless shopping experience.

Retailer opportunities

Since consumers use digital devices throughout the shopping journey to research product information, compare prices and read consumer reviews, providing as much relevant information via the retailer's website helps keep customers loyal to the brand. Retailers can further enhance personalization through the use of user reviews, suggestive selling and product comparisons on their branded sites.

The Changing Customer Experience

Customer expectations

Customers want to shop wherever and whenever they want with the benefits of both the digital and physical retail environments. And in today's crowded and highly competitive market, personalization is a critical component for optimizing the customer's shopping experience. According to the BRP Consumer Study, 68% of consumers would choose to shop at a store that offers personalized promotions and discounts over a store that doesn't offer these services.

Personalization is such an important part of the shopping journey that half of consumers are willing to allow a retailer to save their personal details if it means that the checkout process will be easier and they will receive more personalized attention.



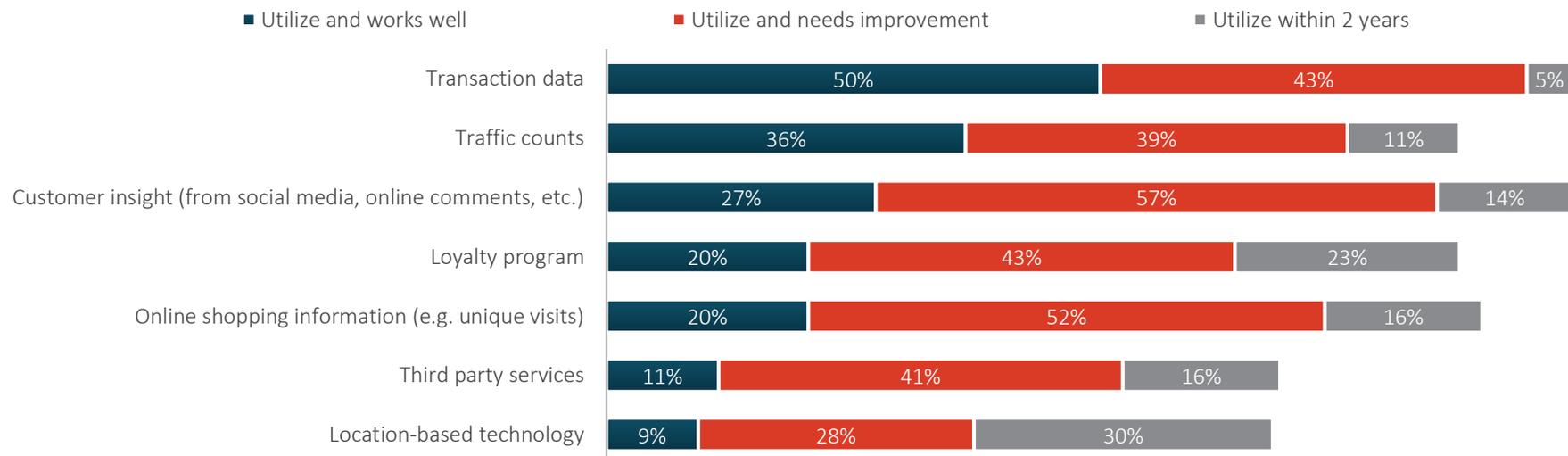
Customer expectation

68% would choose a store that offers personalized promotions/discounts over a store that doesn't offer them

Customer insight

As retailers work on personalizing the shopping experience, the quantity of customer data they amass will continue to expand which creates challenges in managing the large volumes of data. In addition to traditional areas such as transaction data, traffic counts and loyalty programs, now social media, location-based technology and online shopping data offer a plethora of information on customers' likes, dislikes, friends, movements, etc. (Exhibit 6). These interactions produce data that can be instrumental to understanding customer context and tailoring the customer experience. Knowing the

Exhibit 6
Sources of Customer Information





Retailer opportunity
68% need to improve their ability to utilize customer insight to meet expectations

customer better than the competition empowers retailers to create personalized promotions and marketing campaigns to drive sales and enhance customer loyalty.

While retailers have expanded the collection of data across many touch points and sources, there are many opportunities to improve the quality of the data and their ability to react to the information. Retailers need to fully maximize every engagement with the customer using the abundance of physical and social outlets available to them. The means available to customers for product and brand research has never been more varied, from simple web searches to consumer reviews to Pinterest to YouTube videos.

Retailer investment and focus on social media will undoubtedly continue to grow, given that social media has become part of consumers' day-to-day lives and it provides retailers with unprecedented visibility into their interests and desires. It provides a venue that allows retailers to directly communicate with their customers and it is an extremely powerful tool for collecting and using customer insights to improve planning decisions.

Retailer opportunities

As the customer experience changes with new technology options and increased consumer demands, retailers' ability to personalize the experience becomes more critical. Social media is a critical area that offers retailers the opportunity to listen to their customers, understand who they are, and leverage their feedback based on

comments, likes of products with similar affinity, and interactions with the brand.

The use of social media to rapidly adapt and react based on both positive and negative comments is now seen as table stakes. Leading retailers leverage positive social media in near real-time to replicate and inform other stores of positive events. In parallel, successful retailers respond to negative social media and customer feedback very quickly, utilizing artificial intelligence and other analytical tools that identify messages by sentiment and match them with appropriate responses. The importance of prompt social media responses has led top retailers to add contact response time (CRT) as a new KPI to measure success.

The Need for Unified Commerce

Consumer expectations

Today's always connected customer has propelled digital and mobile commerce and has elevated their expectations of the shopping experience. She expects service anytime, anywhere and any way she wants it.



In the BRP Consumer Study, 86% were interested in a personalized and consistent experience across all shopping channels. The ability to easily cross channels as consumers research, shop and purchase is important as 82% of consumers have shopped online or via mobile and then purchased in the store (webrooming) while 56% have shopped a store and then purchased online or via mobile (showrooming).



Customer expectation

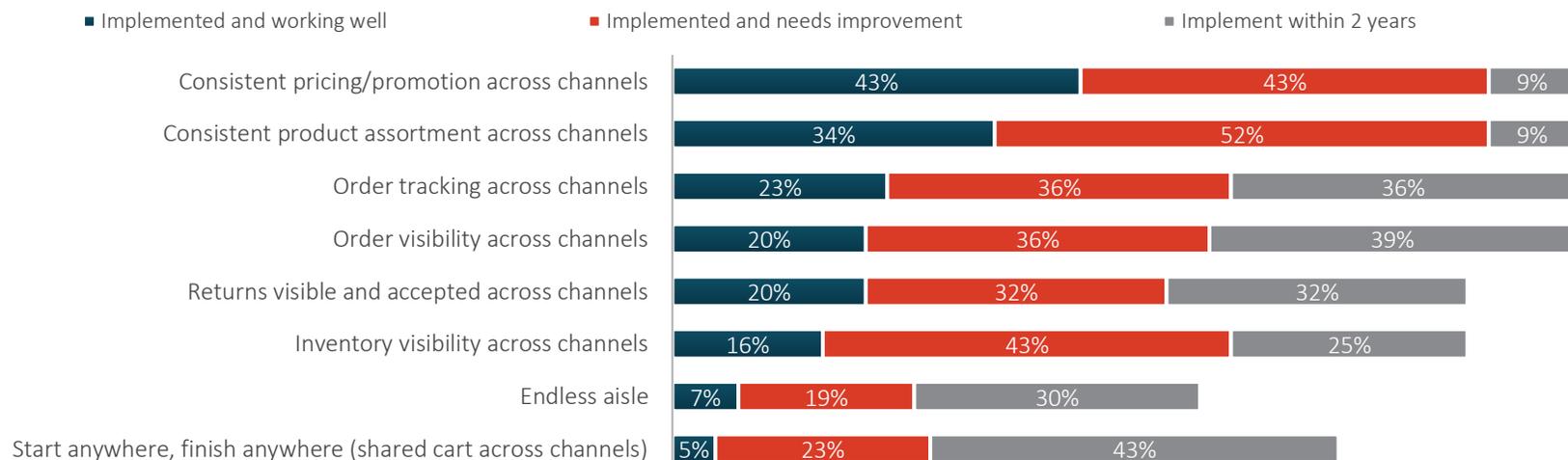
87% are interested in a personalized and consistent experience across all shopping channels

Channel transparency

Retailers realize they need a different approach to enable a unified experience, one that supports today's convergence of the digital and physical worlds. The answer is unified commerce.

BRP's research over the last few years demonstrates that retailers have generally embraced unified commerce as the best way to overcome and break down the traditional silos around individual channels and bridge the physical and digital worlds.

Exhibit 7
Cross-Channel Capabilities



Today's channel transparency makes retailing more difficult as brands can no longer differentiate on just product or price. In most cases, a personalized customer experience and visibility to real-time inventory data are the key differentiators for a brand and what drives customer loyalty. Successful retailers are developing a comprehensive customer journey map to identify all of the touch points and influence points in a customer's journey with a focus on the key moments of truth or decision points. With a keen understanding of the ideal customer journey for their brand, retailers are designing their systems and processes to support a customer experience that is seamless and frictionless.

Cross-channel capabilities

Many retailers have started down the path to unified commerce by offering services that emulate the holistic shopping environment that the customer expects. However, in many cases, the process to offer customers a seamless experience is still manual and involves complex integration across multiple systems and processes that don't work in real-time.

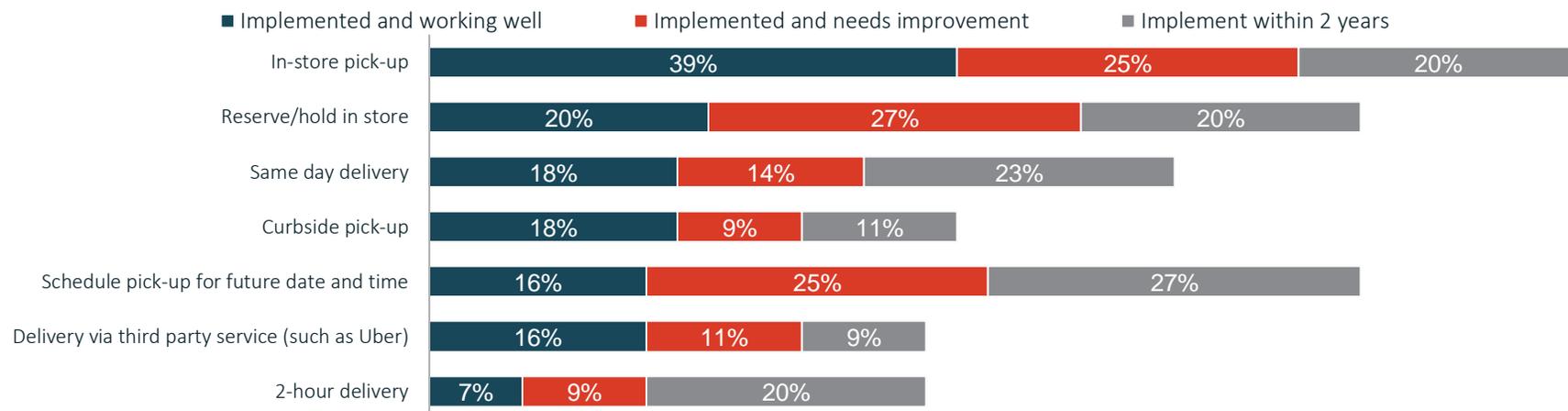
Unfortunately, most retailers are finding it much harder than they thought to implement unified commerce capabilities. As a result, many retailers are still running a "faux omni-channel" environment even though consumers have indicated that a holistic, unified shopping experience is expected.

We continue to see progress made as retailers implement cross-channel capabilities such as consistent promotions, product assortments and order visibility across channels; however, the number of implementations that need improvement is still very high (Exhibit 7).

While currently only 5% of retailers are successfully offering 'start the sale anywhere, finish the sale anywhere' capabilities, it is promising that within two years 71% plan to offer this to consumers. A complete unified commerce model that supports a single, shared shopping cart that travels across channels with the customer is imperative to offering start anywhere, finish anywhere capabilities.

Since many of these omni-channel capabilities are likely cobbled together via manual processes and disparate systems, a large

Exhibit 8
Omni-Channel Delivery



percentage of these systems need improvement or replacement. Retailers may have the ability to access some of the necessary information to personalize the customer experience but being able to do it operationally and effectively during interaction with the customer is not convenient or efficient. This environment sets the stage for retailers to adopt a single commerce platform.

Omni-channel fulfillment

Fulfillment is also a critical element of unified commerce. This process encompasses everything from receiving products to storing merchandise to shipping it to the customer on a timely basis.

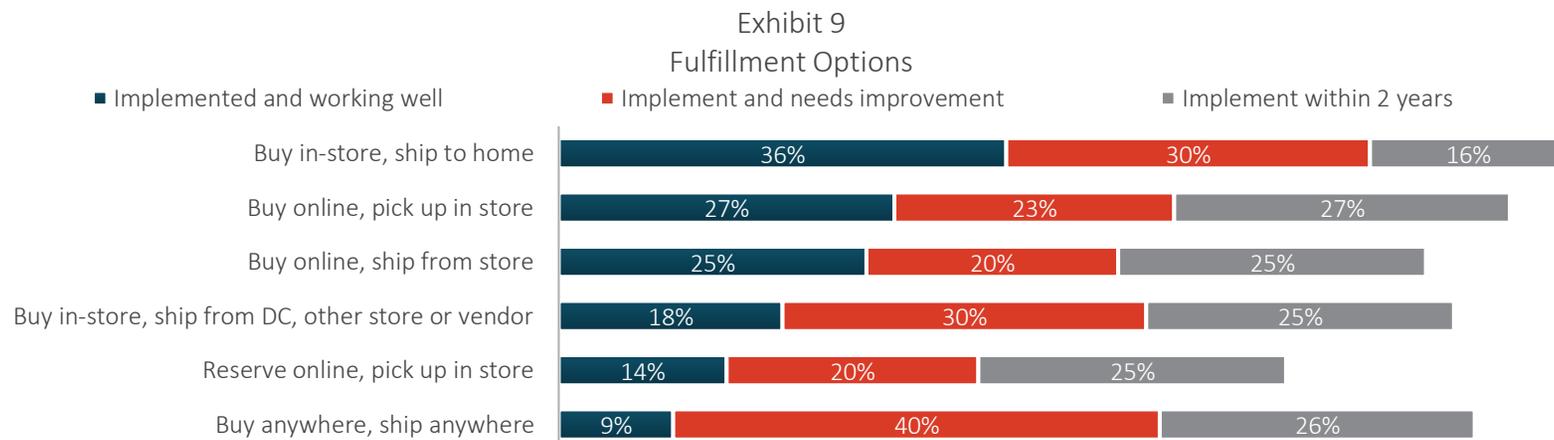
Customers expect immediate gratification with same-day delivery quickly becoming the norm, which is evidenced by Amazon's recent announcement to evolve its Prime shipping program from a two-day program to a one-day shipping program. Buy online, pick-up in the store (BOPIS) is really just an interim step as retailers work towards the goal of same-day delivery, as 55% of retailers plan to offer this within two years. Delivery via a third-party service, such as Uber, is also gaining momentum with 36% of retailers planning to offer it within two years (Exhibit 8).

Customers have grown to expect the ability to research, shop, purchase and ship across channels, which requires retailers to deliver unified commerce processes that are integrated into a seamless operation. Retailers realize they need to enhance their fulfillment process, as 32% of retailers indicate that decreasing the cost of delivering to customers is one of their top unified commerce priorities and many are planning to offer additional pick-up and delivery options for their customers (Exhibit 1).

Retailers continue to look at different ways to offer customers the flexibility to shop, purchase and receive their goods how and when they want. 66% of the retailers surveyed have implemented the ability for customers to buy in-store and ship the product to their home, but nearly half of these indicate the process needs improvement (Exhibit 9).

A single commerce platform

The right technology foundation is critical to support the desired customer shopping experience across channels. As retailers focus on engaging the customer and delivering a customer-centric experience, they are realizing that integrating disparate systems and processes in real-time is not a successful or sustainable strategy. In



many cases, retailers are still trying to offer customers the services they desire but at a high cost to the retailer as these processes are inefficient and ineffective. The greatest cost to the retailer is actually the poor customer satisfaction as a result of over-promising and under-delivering on cross-channel services. In this highly competitive retail market it is often better to not offer a service than to offer it and deliver it with poor results. It will help avoid lost sales, diminished customer loyalty, and quite often, brand degradation on social media and other forums.

What's the solution? Unified commerce with a single commerce platform supporting all customer touch points and channels simplifies integration and supports real-time visibility, enabling a unified view of customers, inventory and fulfillment.

A unified commerce platform becomes a single consolidation point for all transactions, inventory, pricing, order management, CRM, call center, etc. This platform provides a single version of the truth across all channels to enable transparency, or the "glass pipeline" of real-time visibility to inventory, product and customer information.

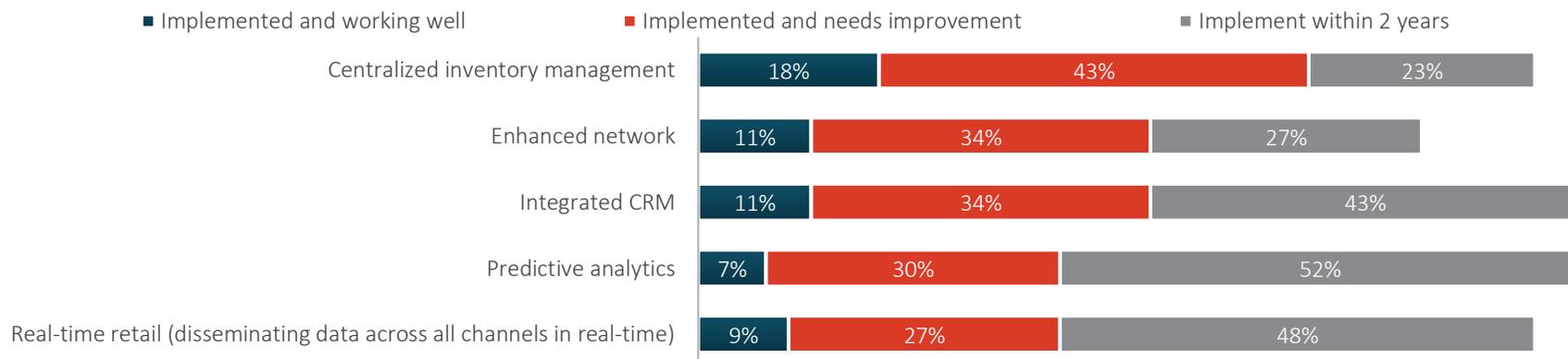
This is the nirvana, or end-state, that many retailers are trying to achieve with their customer experience and unified commerce goals.

By moving the heart of the transaction, merchandising and fulfillment activities to a centralized platform, retailers can allow their digital commerce applications to be more innovative and agile. This enables retailers to utilize their digital commerce offerings to contribute to the personal, ubiquitous and unified experience that customers expect.

The industry has wholeheartedly embraced the concept of unified commerce with 86% of retailers indicating they have or plan to implement a unified commerce platform by mid-2021. However, when discussing unified commerce capabilities with retailers, it is apparent that this is a slow process.

The survey results show that centralized inventory visibility, an enhanced network and integrated CRM are all significant considerations with nearly three-quarters of retailers focused on these elements in their unified commerce plans over the next two years (Exhibit 10).

Exhibit 10
Unified Commerce Initiatives

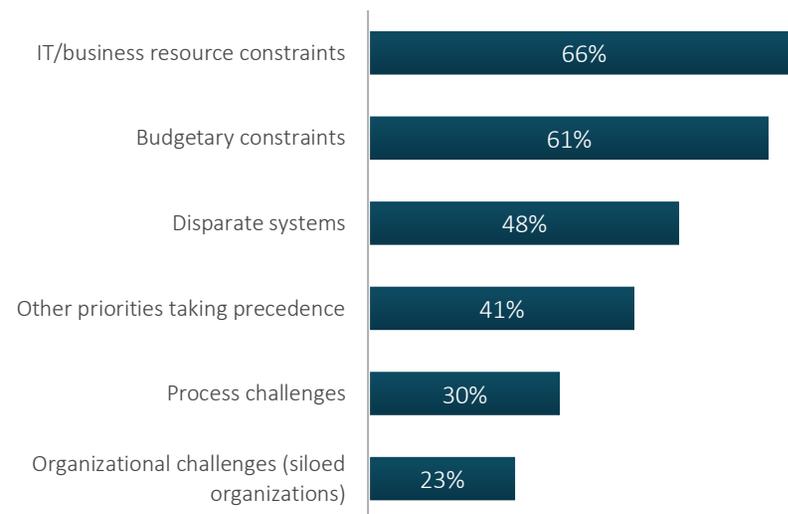


Unified commerce is the cornerstone for delivering the holistic real-time customer experience by breaking down the walls between internal channel silos and leveraging a common commerce platform. It has become the new retail imperative.

Unified commerce challenges

For many retailers, delivery on their customer experience vision through unified commerce is a massive initiative, so it is no surprise that resource and budgetary constraints, along with disparate systems and are the three biggest obstacles (Exhibit 11). Unfortunately, the cost of doing nothing or trying to leverage less than effective options, such as manual processes and disparate systems, comes with its own cost, in missed expectations, disappointed customers and lost sales. Retail has never been more transparent than now, and your customers will quickly and easily let you know if you are missing the mark and share it with all of their social media “friends.”

Exhibit 11
Unified Commerce Obstacles



Retailer opportunity
71% plan to offer the ability to ‘start the sale anywhere, finish the sale anywhere’ to their customers

Retailer opportunities

Consumers demand the ability to shop wherever, however and whenever they want. This requires the ability for consumers to easily cross channels as they proceed through their shopping journey. To offer that seamless experience requires the right commerce platform and organizational support so that processes, systems and teams are not cobbled together.

Retailers are clearly focused on updating and improving the core components of their unified commerce platform. Although different retailers have different definitions of unified commerce, one thing in common is that successful retailers take the approach of rewriting or migrating their platform to a service-based architecture. By breaking these often large and inflexible applications into smaller pieces of functionality that can be leveraged by any platform, they are able to:

- Improve the time it takes to respond to rapidly changing customer expectations
- React faster to the features of a unified commerce platform that are most impactful to their specific customer base
- Reduce total cost of ownership
- Move the platform to the cloud, if desired
- Reuse the code across any platform to enable a consistent customer experience
- Enable real-time inventory visibility by augmenting their ERP platforms

The Future of Retail

Customer expectations

The physical and digital worlds will continue to be intertwined as we look to the future. Customers want the sensory experience and ability to personally interact with a knowledgeable associate generally available in the physical world, married with the unique and personalized shopping experience common in the digital world.

The store is not dead and focusing on the customer experience will continue to be important. Consumers love the theater of shopping, which is why we are seeing many pure-play online retailers starting to open brick and mortar stores and store concepts continue to change. The in-store experience is paramount for apparel and other products that consumers want to touch, feel, demo or try on.



Customer expectation

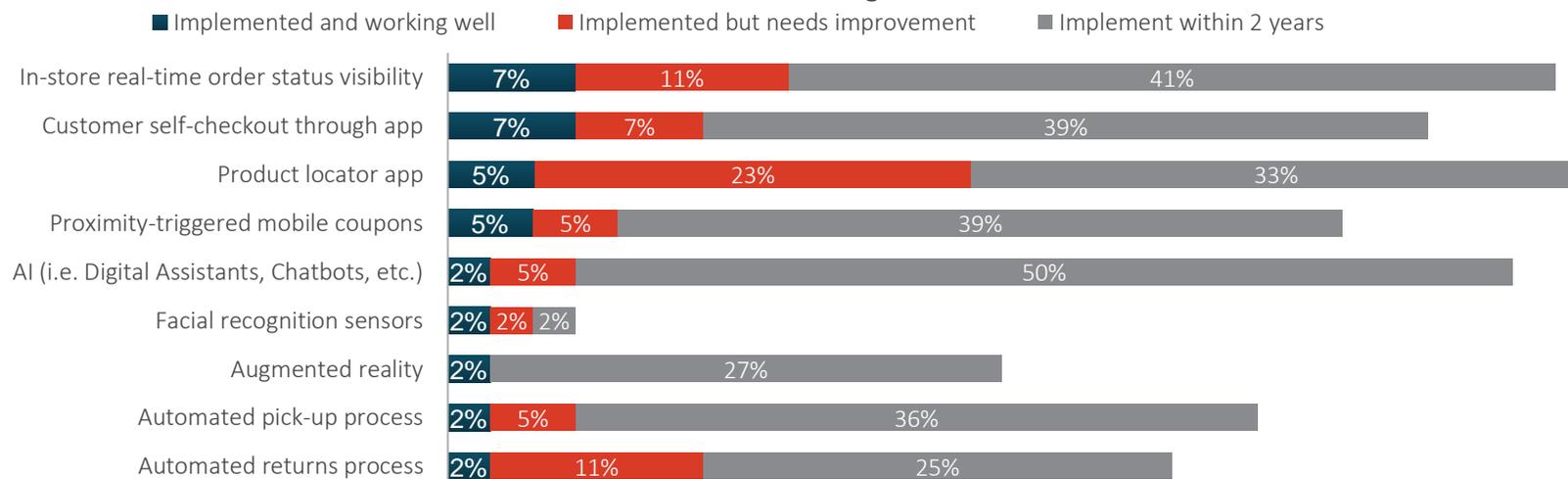
57% would choose a store offering an automated returns process over one that doesn't offer it

Customers are willing to try new technologies if it improves their in-store shopping experience. According to the BRP Consumer Study, 32% of consumers are likely to shop at a store offering an augmented reality experience. Consumers are also very interested in relying on technology instead of human interaction if it means that the process will go quicker and easier. For example, 55% are more likely to shop at a store with self-checkout vs. a store without and 57% will choose a store offering automated returns to avoid human interaction.

Artificial intelligence

With the advent of artificial intelligence (AI), retailers have the capability to reach a much larger group of consumers on a personal

Exhibit 12
Customer Service Technologies



level. As such, it should come as no surprise that many retailers are looking at using AI to improve the customer experience.

As AI personas such as Siri, Alexa and “Google” become mainstream, we see chatbots increasingly replacing traditional human customer service. Many customers are comfortable with this replacement and some may even perceive human interaction as less efficient than artificial intelligence. While some retailers may find that human interaction within the shopping experience is too important to move completely to AI, there is no denying that AI is having a big effect on the retail industry.

Retailers can use AI to pinpoint the most convenient time of day to reach out to consumers with products they would be willing to purchase based on past clicks and website traffic data. Amazon and other multi-channel retailers are currently experimenting with AI to offer purchasing suggestions based on answers to a series of questions and past purchase history. AI offers the ability to exploit the vast amounts of customer preference and transaction data gathered to personalize the customer experience.

More retailers will be venturing into this arena with 57% of retailers planning to utilize AI as a means of enhancing customer service in the next two years (Exhibit 12).

Augmented reality

Through augmented reality (AR), innovative retailers are inspiring their customers and offering them the ability to see what a product looks like in their home or even on their body.

AR has some interesting applications and opportunities, as the ability to mix virtual and real elements can be game changing – especially for furniture and home décor retailers. Customers can see how a product would look in their own home rather than a picture in a catalog. In addition to boosting sales, AR also improves customer



Retailer opportunity
38% plan to offer an automated returns process within two years to offer more self-service opportunities

service and allows retailers to demonstrate products without investing in expensive displays. Within two years, 29% of retailers plan to use augmented reality to enhance the customer experience (Exhibit 12).

Self-service technology

As retailers experiment with ways to improve the customer experience, there are many in-store technologies that allow consumers to control their own experience. Allowing the customer to utilize their mobile phone to scan and pay for merchandise is a big area of opportunity. Currently, 14% of retailer indicate they have this capability and another 39% plan to offer it within two years.

Other self-service technologies include automated pick-up processes with 43% planning to offer within two years, and automated returns processes with 38% planning to offer within two years.

Retailer opportunities

Disruptive technologies such as artificial intelligence, augmented reality, and virtual reality will change the shopping experience and the customer journey over the next few years. These technologies offer opportunities for retailers to gather and analyze customer data and enable a different shopping experience for the customer. It is up to retailers to identify the best way to utilize these technologies to enhance their customers’ shopping experience.

Survey Methodology

Through an online survey system, BRP conducted the Unified Commerce Survey in March and April of 2019. The goal was to gain an understanding of retailers' planned cross-channel initiatives, priorities and future trends by contacting the top North American retailers.

This report summarizes the results and key findings of the survey, offers insights based on our client engagements and overall retail experience, and identifies current and future trends in the industry. These insights are intended to help retailers compare their omni-channel operations and technology and identify opportunities to enhance their customers' experience across channels.

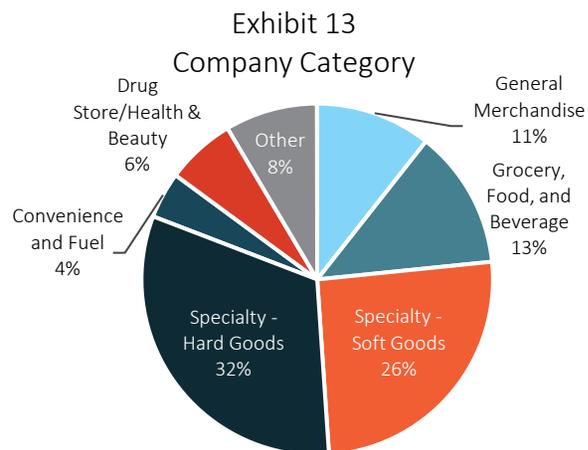
The primary retail segments of the survey respondents were specialty hard goods (32%) and specialty soft goods (26%) with the remainder from various other categories such as general merchandise and grocery, food and beverage (Exhibit 13). The 58%

segment remains consistent with last year's representation of 58% from this segment.

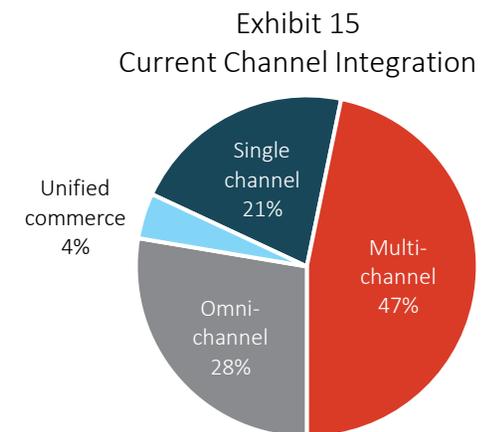
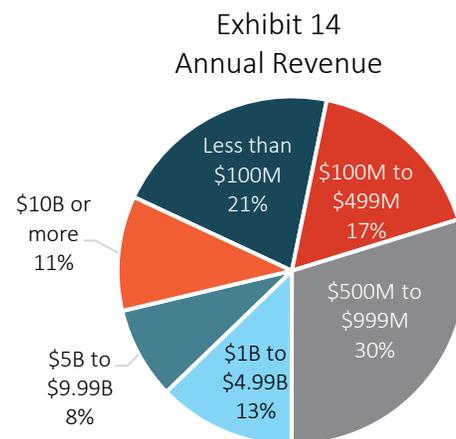
Of the retailers surveyed, the breakdown in size based on gross annual revenue includes a broad selection of Tier 1, 2 and 3 retailers, with 43% of the respondents having \$500M to \$5B in sales (Exhibit 14), which is consistent with last year's results.

This year's survey also recognizes the challenges that retailers continue to face as they shift from a single channel environment to a unified commerce environment. While only 4% of the respondents indicate a true unified commerce environment, there is definitely movement from multi-channel to omni-channel to unified commerce as retailers look to offer a seamless experience to their customers. (Exhibit 15).

The specific respondents for each company were primarily vice presidents and directors of IT and C-level executives.



of respondents from the specialty retail



About BRP

BRP is an innovative retail management consulting firm dedicated to providing superior service and enduring value to our clients. BRP combines its consultants' deep retail business knowledge and cross-functional capabilities to deliver superior design and implementation of strategy, technology, and process solutions. The firm's unique combination of industry focus, knowledge-based approach, and rapid, end-to-end solution deployment helps clients to achieve their business potential.

BRP's consulting services include:

Strategy
Point of Sale (POS)
CRM
Order Management
Supply Chain

Business Intelligence
Mobile POS
Unified Commerce
E-Commerce
Networks

Business Process Optimization
Payment Security
Customer Experience & Engagement
Merchandise Management
Private Equity

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You have complex omni-channel challenges. We can help. enVista is a leading global software solutions and consulting services firm *enabling enterprise commerce™* for hundreds of leading brands. We power omni-channel transformation through unparalleled retail domain expertise, profitable growth strategies, and comprehensive physical *and* digital commerce solutions. Retailers including GNC, Spencer's, SoulCycle and Yankee Candle are leveraging our agile Unified Commerce Platform to optimize omni-channel fulfillment and customer-centric commerce. Our highly-scalable Commerce Platform includes: OMS, POS, BOPIS/ship from store, vendor drop ship, digital commerce, PIM, and EDI. enVista's Platform is uniquely and strategically built from the ground up as a microservices architecture on a common data model and multi-enterprise integration framework to rapidly unify enterprise commerce. enVista is highly experienced in both optimizing supply chain efficiencies to drive cost savings, and unifying commerce to improve customer engagement and profitability. *Let's have a conversation.™* www.envistacorp.com