APIs: The Connective Tissue for Omni-channel Retail
Overcoming integration data challenges to create memorable customer experiences

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STRATEGIC INDUSTRY CHALLENGE: CREATING A CONNECTED RETAIL EXPERIENCE

Online sales are outpacing growth of brick-and-mortar retail, but most sales are still completed in-store.

However, it is not an either-or situation, with many consumers taking an omni-channel approach to researching products and seeking out the best prices or their favorite brands. As such, there’s a growing expectation that retailers will provide them with a consistent experience both online and in-store, with the same products and information available no matter how they choose to engage.

The data trail generated by the digital side of the journey creates a golden opportunity for retailers. Indeed, many have harnessed this data to merge digital and in-store experiences to meet consumer expectations for individualized shopping experiences, delivered across multiple channels.

Making this happen demands smooth and speedy integration of real-time and historical data. But while capturing data is no trouble, most find that their ability to generate insights and take action is limited by inefficiencies in integration and lack of real-time event processing.

In recognizing this, many have turned to application programming interfaces (APIs) to act as the organization’s digital connective tissue.

This business brief from TIBCO Mashery® API Management software explores the opportunity for retailers to operationalize data integration as a key agility layer, and why a robust API strategy is so important for secure and profitable digital transformation.

OMNICHANNEL RETAIL IS MORE THAN MOBILE

The explosion of mobile technology and the proliferation of smartphones lit a fire under many retailers’ e-commerce strategies. After the initial rush to build mobile apps, we’re now at a stage where nearly a quarter of smartphone owners have between six and ten retail apps on their phone. Another 23% have between three and five.

Clearly competition is just as fierce on smartphones as it is in the shopping malls, so familiar challenges around differentiation remain. And because the digital ecosystem has quickly moved beyond apps into new channels, retailers need to think bigger and look to reach customers wherever they may be in the digital ecosystem, tailoring their experience across devices and locations.

Pinterest, for example, is a social media platform with 150 million monthly users where people curate and share products across a wide variety of categories. It’s also a channel through which customers can make direct purchases. Then there’s wearables, smartphones, tablets, in-store kiosks, internet-enabled POS stations, connected game consoles, TVs, and even refrigerators: consumers really are everywhere.

1 https://www.emarketer.com/Article/Worldwide-Retail-Ecommerce-Sales-Will-Reach-1915-Trillion-This-Year/1014369
2 https://www.emarketer.com/Article/Shoppers-Downloading-More-Mobile-Retail-Apps/1014041
There are moments throughout the shopping experience where historical and contextual data gathered through these channels could be merged to deliver a truly special customer experience. For example, information about a customer’s online shopping history — and recommended in-store items based on that history — could be automatically pushed to retail sales associates when a customer enters a store, providing them with critical information to help guide the customer toward suitable products. This would combine the power of data analytics with human curation to create a more personalized in-store experience and drive sales.

The biggest challenge is data siloed in separate systems across departments, stores, or regions. Integrating, processing, and analyzing data from multiple sources — sometimes in real time — would have benefits beyond the shop floor. It could also be used to better manage stores and inventory and be harnessed for smarter decision-making.

As commerce increasingly shifts toward digital channels, carefully managing limited and costly physical space becomes extremely important. And while IT usually holds the data controls — for reasons such as data governance and compliance — it often obstructs business users who have vital subject matter expertise from accessing important information. User-friendly, self-service analytics, reporting, and dashboards would bypass this roadblock and enable the whole company to work together to build more tailored offers, more compelling product ranges, and a more profitable business.

But the technical challenges of integrating data in this way and generating insights fast enough to act on them often means sales opportunities slip away.

**APIS CAN TRANSFORM OMNI-CHANNEL RETAIL STRATEGIES**

Users take it for granted that they can move effortlessly between different devices and channels. Developers, designers, and engineers, on the other hand, know exactly how hard that is to achieve.

This is where APIs can transform omni-channel retail strategies as a way to make digital assets consumable in any sort of application, whether an iPhone app, in-store kiosk, or product curation platform like Pinterest.

With the right authorization, business units, individual stores, or other digital platforms can access data through APIs securely and efficiently, which in turn brings the power to drive customer recommendations, personalized offers, or smart retargeting. Often the process encompasses both affiliates and internal partners, and many retailers now use API platforms to securely manage these relationships, customize levels of access, and ensure brand consistency.

Exposing APIs to partners allows them to innovate on top of your data in ways you would likely never do yourself. Think of it as crowd sourced innovation to expand your market footprint as a retailer.

It works internally too; APIs help companies manage data flow across departments and organizational groups. In the supply chain, APIs can be used to enable staff to track stock levels and inventory. It’s not the most glamorous function — never getting the attention customer-facing mobile apps do — but it’s critical to operational efficiency and improving the bottom line.

**THE TIBCO MASHERY API MANAGEMENT PLATFORM**

TIBCO Mashery is a cutting edge API management platform that offers a single, secure, and reliable point of access to company data, helping retailers reap the rewards of an ever more interconnected world.

The wider TIBCO suite of data visualization and analytics solutions also allows retailers to swiftly derive insights from the huge volumes of data generated by their organization, often without any coding required.
Combined with effective API management, these insights can transform retail operations through:

- Automatic and continuous creation of tailored offers
- Improved stock management
- Maximized staff and resource utilization
- Real-time customer segmentation
- Understanding profit drivers
- Reaching untapped revenue potential through smart, bespoke marketing and innovative digital partnerships

MAKE THE MOST IMPORTANT DECISION OF YOUR DAY

For retailers, data is the key to creating consistent, of-the-moment offers and experiences that drive greater customer satisfaction and increase brand value.

The most forward-thinking enterprises in retail are already reinventing nearly every aspect of their operations, and many have discovered that leveraging an API management platform is the key to creating a seamless experience across multiple channels.

Visit mashery.com/retail to discover how TIBCO Mashery can help your business make the most of its data, monetize it, and reduce complexities associated with sharing data between applications and organizations through a secure and well-managed API program.

ARGOS

“125% increase in YTD sales via mobile apps.”

As part of Home Retail Group and one of the UK’s largest retailers, Argos serves millions of customers through hundreds of stores across the UK.

In 2012, Argos took bold, transformative measures to respond to market disruption from competitors selling online in addition to the move by grocers into non-food product ranges. By leveraging TIBCO Mashery API Management, Argos can set alerts for transaction problems and ensure optimum API performance for its apps across all mobile devices.

The seamless integration with Argos’ enterprise systems instills the Argos API platform with a powerful competitive edge, because the apps become more intelligent and more responsive to individual customers. Home Retail Group has developed four apps in a very short time following deployment of the API management platform, which were soon downloaded millions of times. Since then, other mobile apps have been developed, and more are on the way.

Like many major retailers, Argos wanted to build apps from both open and closed developer communities to serve different business needs. An important factor in working with different developer communities is managing and maintaining the high value of the Argos brand. TIBCO Mashery provides powerful automation with alerts and reporting to help digital retailers ensure brand compliance on all app developments.