POWER UP PLUS:

6 TECHNOLOGIES TO ENHANCE YOUR SHOPIFY PLUS STORE

CONTRIBUTING PARTNERS:
THE POWER OF ENTERPRISE RESOURCE PLANNING (ERP)
Integrating Enterprise Resource Planning (ERP) with your Shopify Plus webstore is one of the simplest things you can do to really set yourself apart from the competition, reduce multiple pain points within your operations and totally transform the shopping experience from path to purchase.

In fact, a recent study by Panorama Consulting Solutions found that over 95% of the businesses they surveyed improved some or all of their business processes with an ERP system in place.

So how do you become a part of that 95%? In this chapter, you’ll learn just how by identifying:

» When it’s time to consider an ERP system

» How to choose the perfect ERP for your ecommerce business

» How to take your ERP integration from good to great with full-scale automation
Typically, retailers and wholesalers look to implement an ERP system once they’re regularly seeing 200-500 orders per day.

However, you’ll know when you really need an ERP if any of the processes behind the buy button (as shown in the diagram below) are too manual and time consuming within your business:

If this sounds about right, you’re not alone.

A study by Radial found that 40% of retailers struggle with automating order capture and processing, integrating inventory, and standardizing order management from different types across channels.

The study also established that this means the average cost for a company to fulfill an order is a staggering 70% of the average order value. That’s just too much time, energy and cost spent on processes that can be streamlined with reliable systems in place like an ERP.
Sports equipment retailer, FringeSport, found keeping an eye on their inventory across multiple retail locations and online sales channels pretty tough before implementing ERP software.

They found that they either had too much inventory on hand, which was affecting their cash flow, or they didn’t have enough inventory to fulfill orders. Striking the balance between just the right amount of inventory was clearly difficult without an ERP, and in their case, once you also threw in selling bundles and “kits”, everything became even harder.

However, since implementing ERP, they’ve said (you can read more of their ERP journey in their customer story here):

“We no longer have to use spreadsheets and manually input data which massively reduces the risk of human error. We’re also confident that our inventory is always accurate. Our Office Manager used to have to double as the Inventory Manager too but can now leave the heavy lifting to our ERP. By using Brightpearl and Shopify Plus, we have the time to run a successful and growing business, as well as doing what we love; staying fit and active.”

- Peter Keller, Founder, FringeSport
For most merchants, selecting an ERP or back office system is a task undertaken perhaps once every 5 years, which means you may not be completely au fait with the entire process yet. And that’s okay, because we’ll teach you exactly what to look for when making your decision. At Brightpearl, we believe every business should have the opportunity to choose an ERP system that is able to cope with the unique complexities of their business. That’s why we specifically service the retail and wholesale industries, rather than try to cater for all business types. When performing your searches, this should be the first requirement you check. Ask yourself the following:

1. Is the ERP able to service your industry effectively?

2. And, of course, does it have a reliable integration with your Shopify Plus webstore?

Once those basics are out of the way, you should seek to understand both the functional and nonfunctional requirements within your business and whether your shortlist of ERP solutions can cater to those needs.

Here are some standard questions you should seek to answer when building out your shortlist:

» What parts of your business are you looking to integrate with each other?
» What basic features do you require from a new system?
» What are your expected outcomes or results from implementing new technology?
» What are your business goals?
» What is your strategy to achieve these?
» How will the ERP support your goals and strategy?
» Who is part of your software evaluation and implementation teams?
» How long will the implementation take?
» What level of service can you expect after you’re live with the system?

Once you have your answers, you should score each ERP provider against your list. You may need to revisit some of your priorities along the way, but with each refinement of your list, you’ll be closing in on the perfect ERP for your business. To help you further, we’ve created a free template that you can use to build up your list of requirements. Take a look at it here.
POWER UP TIP:

Remember to document your requirements for both the functional (i.e. product features) and nonfunctional (i.e. contractual, performance, deployment options, charging structure) parts of an ERP solution. Both are crucial for the success of your new long-term partnership.
WHAT’S NEXT? IT’S TIME TO AUTOMATE!

With the rising cost of labor, change in consumer demands and the growing capability of technology, more and more retailers are choosing to automate their business processes once they have an ERP in place.

As the image below shows, the cost of labor has increased significantly over the past 18 years:

Figure 2: Whole economy Index of Labour Costs per Hour, by component, seasonally adjusted

UK, Quarter 1 (Jan to Mar) 2000 to Quarter 1 (Jan to Mar) 2018

Source: Office for National Statistics, 2018

Retailers who automate reduce the risk of errors and mistakes, speed up their operations and provide a better experience and service for their customers. It also enables retailers to spend less time focused on admin overheads and more time focusing on selling, which instantly flips their cost model from the back office to the front office.
Ultimately, automated processes enable you and your staff to spend more time focused on new product lines, more marketing, new sales channels and new buying experiences, with less time spent on mundane (and time consuming) back office tasks.

**How to do it**

Now we know that it’s very easy to say that all you’ve got to do is automate your processes. But you’re probably wondering how you go about doing it with an ERP. Most systems offer some scope for automating your business processes for your Shopify Plus store.

As an example, you should feel pretty confident that the following processes will be automated by most (if not all) systems:

1. Order download from Shopify Plus
2. Real-time inventory and shipping updates across channels
3. Instant updates to CRM records
But there are a couple of other places where automation can really power up your ecommerce business.

These are accounting and order fulfillment. But automating these parts of your business isn’t possible within every ERP or back office system.

As an example, some software integrates with separate accounting systems. This type of setup doesn’t always limit the amount of manual hours spent on updating your bookkeeping and accounts, and your records will be very unlikely to be in real-time resulting in out-of-date records.

As for order fulfillment, you’re really going to see a difference if you implement software that is able to offer rules-based workflows or bots. Actions like invoicing an order when it’s paid in full, or automatically routing an order to a specific warehouse based on inventory availability or delivery address, can be automated with the right systems in place.

But it also requires you to do some pre-planning beforehand...

**Consider these two golden rules of automating business processes:**

1. Map out your current workflows. Use a tool like Lucidchart to map out your workflows before entering them into the automation tool. Use this period to also review and improve your workflows.

2. Determine actions for each channel. If your business spans across channels, and across retail and wholesale trade, then you’re unlikely to use the same actions for all orders. Wholesale orders as an example often involve more complex payment terms compared with retail orders. Ensure these differences are mapped out within your workflow and action diagram.

With these steps outlined, tweaked and optimized, you can now setup the automation tool within the appropriate software and succeed in powering up your Shopify Plus business.
FINAL THOUGHTS

In summary, an optimized Shopify Plus store is key to supporting your ability to drive more personalized experiences, conversions and ultimately, sales.

But you also need to think about everything beyond the buy button.

Therefore, when you embark on a project to migrate or build a new Shopify Plus site, you should also evaluate your operations and back office processes to see where an ERP will fit.
THIS CHAPTER WAS WRITTEN BY BRIGHTPEARL

Brightpearl is a cloud-based back office and ERP solution for retailers and wholesalers, and allows you to provide a truly omnichannel experience for your customers (both online and offline), whilst unifying all of your sales channels, inventory, accounting, CRM, suppliers, fulfillment, warehouse management, reporting and POS in one single automated system.

To learn more, visit www.brightpearl.com.