WHITE PAPER

Improve Your Omnichannel Strategy
with Better eCommerce

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Today, most businesses — even if they started as brick-and-mortar establishments — are also eBusinesses. You may have noticed that customers are now less likely to engage with you through traditional touch-points such as stores and call centers, instead preferring to interact using digital channels including web, mobile devices, tablets, social networks, in-store kiosks, and smart TVs with integrated web features. Regardless of the device or channel they use, consumers want a unified, consistent, user-friendly experience for them to buy goods, learn about products and services, and communicate with your business.

This shift to "omnichannel" commerce is not new, but continues to offer new opportunities — as well as increased risk — for customer-facing businesses. According to Forrester: "73 percent of consumers who have an unsatisfactory online shopping experience with a company report that they would likely avoid the company's offline store. Companies that are unable to adapt to changing customer expectations by shifting their technology, operations, and organizational models will deliver increasingly outmoded customer experiences that lead to a steady decline at best and rapid extinction at worst."[1]

In another survey[2], respondents estimated that because they weren't yet omnichannel retailers, they were missing out on some 6.5 percent of revenue — which translates to leaving $65 billion on the table. Those retailers' top priority for the next 12 months was to shift to a single transaction platform unifying POS, eCommerce, and mCommerce, with 65.4 percent planning such an investment.

With all that money left on the table and your competitors raising the bar, the success of your business depends on creating a great customer experience across digital and physical channels. An engaging and high-performing omnichannel can drive success, growth, and profitability by helping you to engage with customers at the right contact point and the right moment, where and when they're receptive and ready to see your sales messages as helpful and timely.

An omnichannel strategy offers an unparalleled opportunity to build closer relationships with customers, increase loyalty, and improve revenues. To seize this opportunity, more and more businesses are investing in overhauling their eCommerce solution to increase customer-centricity and agility. Your competitive edge, differentiation, and ultimately your business success depend on your organization rapidly deploying new features and integrating emerging online services into a seamless omnichannel to meet consumer needs and exceed their expectations.

A successful omnichannel strategy includes eCommerce touch-points that:
- Meet the latest and highest standards for customer experience.
- Reach and engage the growing number of mobile-connected customers.
- Can scale to expand your online footprint to new and emerging global markets.
- ...all while improving performance, availability, and security of digital channels.

Give Users What They Want — and Fast

Online businesses lost $44B in 2010 due to bad customer experiences, caused in part by slow page load and unavailability. Speed is essential to the quality of the user experience. More than anything else, your sites have to be fast to maintain engagement and relevance. Just a one-second delay in page load can cause a seven percent loss in customer conversions.[3] A 400 millisecond delay in response reduces searches per user by more than half a percentage point.[4]

Mobile users are accustomed to slower service and have lower expectations, with most saying they would wait 6–10 seconds before abandoning a page. Seventy-three percent say that they've encountered a website that was too slow to load, or not optimized for mobile browsing[5]. But with the number of mobile users on track to surpass the number of desktop users, it won't be long before they start demanding the same fast loading that desktop users already enjoy.

Customers Are Mobile — and You Should Be, Too

Poor performance and slow speeds for mobile users are symptoms of a long-standing practice of giving mobile versions of sites lower priority in marketing planning and investment. Less than one quarter of companies report they "always succeed" in developing mobile applications, creating products for new devices, and unifying the customer experience cross-channel. More than 60 percent concede that they "often or sometimes fail."[6] That has to change: 50 – 60 percent of marketing will be digital over the next five years — and a mobile device will be the first screen customers see. Already, 33.3+ million U.S. consumers shop on mobile devices with seven percent (2.3 million) making a purchase on their devices.[8] Increasingly, those customers demand the same great online experience from mCommerce sites as from eCommerce sites.

Go Global for Growth

As commercial markets are becoming increasingly global, your strategy must address the need to engage consumers in global regions with your brand. Your competitors are probably already planning to extend their online footprint to new global markets: 75 percent of US retailers say international expansion is important to their overall business strategies,[9] and 78 percent have immediate concerns about their current eCommerce platform's ability to support the global goals of the business.[10] Going forward, most plan to rely on a single platform to power all global sites.[11]

Build on a Secure Foundation

Lastly, security must underpin any eCommerce effort. Your site must offer comprehensive security, both to comply with regulations and to build customers' confidence, so they feel comfortable buying from you online.

The Gap Between eCommerce Goals and Reality

Though these goals are clear priorities for most organizations, the reality is that few companies have achieved them. While 52 percent of retailers say their eCommerce platform is a key technology priority, fewer than 25 percent of companies report they are currently succeeding in offering the digital experience they want.[12]

What's preventing organizations from achieving their eCommerce objectives?
According to a recent Forrester report, survey respondents identified three key challenges[13] in delivering successful digital projects:

- Not enough designers and developers (75 percent of respondents). IT teams are already stretched, and can't spare the skilled resources and capacity to work on new and innovative projects.
- An inability to respond fast enough (84 percent of respondents). Time to market for new digital experiences is hindered by resource and technology constraints.

- Unsuitable technology (75 percent). Existing enterprise applications are often not equipped to handle multiple devices and clients, or create a consistent customer experience across channels and touch-points. Most companies' systems infrastructure can't support the need to scale up rapidly to match growing numbers of digital and mobile customers.

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Dependence on an overburdened IT staff causes major bottlenecks in companies' ability to deliver the unified digital experience they seek: 80 percent of companies want to innovate and launch new capabilities quickly but just don't have the IT bandwidth or resources to do so.[14] A unified omnichannel experience requires complex and time-consuming integration across multiple back-office systems including eCommerce, order management, CRM, supply chain, and POS systems. On top of that, many companies lack the systems, technology, and scalable platforms to create a high-performing omnichannel experience. They frequently lack the expertise, too: The technologies that enable the digital experience change so quickly that it's difficult for companies to keep up.

The Most Effective Strategy for Success: Find an Expert Solution Provider

Implementing and maintaining a solution that supports a high-quality omnichannel customer experience and improves mobile and global presence is too complex, time-consuming, risky, and expensive to do in-house — even if you had the spare IT capacity, which most organizations don't. Without the availability of experts, open-ended budgets, and the right technologies, you can't respond to the changing customer expectations and opportunities in your market in a timely way.

"Once you have identified the key requirements, it's like picking Legos. You need one set of Legos to build a ship; a different set to build an airplane."

Andy Caddy Head of IT Architecture, easyJet

Get the eCommerce Expertise You Need

Turning to external experts to help deliver an enhanced eCommerce solution is a better approach to addressing your need for speed, stability, scalability, and reduced business and operational risk. An eCommerce solution provider can offer a team of skilled experts with in-depth knowledge of how to deliver an optimal user experience and overcome technical challenges. Over the course of many implementations for a wide range of clients, they should have built up a wealth of expertise in strategic planning, solution implementation, integration, migration, ongoing management, optimization, and support.

You'll still need your own designers to create your online store, because they're the ones with the best understanding of your business to create the right front-end functionality to support your brand. But when they're backed by a team of eCommerce application and platform experts, they can be more productive than ever before. They'll no longer have to waste time on the mastering the intricacies of applications, systems, and data migration and integration, because your eCommerce solution provider should be able to take care of that for you. A good partner can free up your in-house expertise and help you enhance innovation, increase speed, and reduce the risk of performance problems.

Gain Agility to Increase Innovation and Speed to Market

Innovation, agility, and speed to market are critical in today's rapidly changing online marketplace. You should be able to look to an eCommerce solution provider for assistance in quickly adapting to evolving market, competition, and technology trends, as well as overall economic conditions.

With their resources and expertise, solution providers can help you deploy new products, services, and capabilities faster than before, so you can optimize your positioning in your markets and enter new ones using technology and data assets to drive better business results… and better returns on IT investment.

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Reduce Risk with Proven Technologies — and Keep your Options Open

At the same time, eCommerce solution providers can help you to reduce financial and technological risk in building out your omnichannel. Instead of embarking on a major program of investing in building a platform, look for a best-in-class solution provider that offers proven, secure, scalable, and high-availability eCommerce platforms. This way, you can get immediate access to a proven solution and a predictable purchase model that aligns with usage and improves cash management by limiting capital expenditures. Moreover, with this model, you're not tied to a specific technology that may become obsolete. You can move rapidly to take advantage of improved infrastructure.

Sizing Up Solution Providers

In selecting an eCommerce solution provider, look for one that can help you reach your omnichannel goals for customer experience, mobile support, and globalization — all with security.

Your best bet is likely to be a vendor with an integrated solution that combines consulting expertise — including business assessment, strategic planning, and solution identification — with best practices for application development, migration system integration, ongoing management, and support. This way you can benefit from the convenience and simplicity of using a single partner for your entire end-to-end eCommerce solution while improving your customers' experience. In addition to vetting references for proven eCommerce expertise and operations processes, you should look for a team and a platform that can:

- Build and run the most appropriate integrated solution to meet your business needs
- Optimize it for performance and availability, even with unpredictable or seasonal demand fluctuations.
- Enable customer interactions across channels through a single platform and support B2B and B2C websites and sales models.
- Provide business users tools for merchandising, catalog management, search optimization, cross-channel precision, and marketing campaigns.
- Support microsites and subsites in addition to starter stores.
- Scale to address virtually any business regardless of industry, company size, and selling model.

To be certain that your vendor can deliver a positive experience for your growing number of mobile users, choose one that offers a vast network that can provide fast data transmission from the mobile towers to your eCommerce platform for a low-latency customer experience. You'll also need an eCommerce mobile platform with front-end capabilities and tools so that your in-house team can deliver new mobile sites with ease.

To support your program for global expansion, you should verify that your vendor can provide:

- A standardized and automated global platform approach so you can deploy your online store in new countries more quickly, with less investment.
- Data centers and network service in the countries where you currently operate or plan to expand.
- A low-latency global internet footprint and global private network capabilities to ensure fast and secure transaction of data across the world.

And as always, any approach needs to build in security. Ensure protection of your organization and your customers' data by selecting a solution provider that supports redundancy and backing up of your platform for disaster recovery and business continuity. Your vendor should also be able to help you prepare your eCommerce environment for a PCI audit. Even if you don't think you need all these security features right away, position yourself for the future by choosing a vendor that offers a broad portfolio of security services and consultation. This would include security patches, security and audit scanning, log management, threat management, integrity monitoring services, web application firewalls, DDoS protection, intrusion detection services, managed Active Directory, vulnerability assessments, and SSL certificates.

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"In this new market, we must maintain the highest level of availability. Without a reliable infrastructure, we simply wouldn't be able to do this. We're driving more and more of our customer-facing services to CenturyLink because of the success we've had… we know it will be done right."

Jason Wyrick Manager, Environment Team Starz

Choose CenturyLink eCommerce Solutions

CenturyLink stands out among eCommerce solutions providers, hosting the brand sites of 30 percent of the Fortune 100. Thousands of the world's most innovative organizations including Hallmark, EasyJet, and Starz, among many other household brands, trust CenturyLink to manage their critical eCommerce platforms. CenturyLink offers a range of proven eCommerce solutions to help you meet your goals.

For example, we deliver:
- Excellent customer experience with service level agreements of up to 100% and 24/7 customer support.
- Support for globalization from our more than 55 data centers serving 85 countries and the world's third largest internet footprint, offering a global MPLS network and a low-latency public IP network for a better customer online experience.
- Fast site performance for your mobile users through CenturyLink's extensive fiber to the mobile tower network.
- World-class security with a broad portfolio of solutions and unmatched expertise.

CenturyLink's eCommerce solutions are available to you with predictable pricing through our flexible commercial and consumption models.

When you choose CenturyLink as your eCommerce solution provider, you get a single point of accountability and single partner for everything you need across the entire eCommerce ecosystem, from strategy to infrastructure, database and application stacks, to web hosting, DNS, SSL certificates, design services, website optimization support, and more.

Learn more about how CenturyLink eCommerce solutions can help you meet your eCommerce goals.

CenturyLink has been named a Leader in Gartner's Magic Quadrant for Managed Hosting for six straight years. We host more than 400 million mobile web pages, including some of the largest brands, and we host brand websites for 30% of the Fortune 100.

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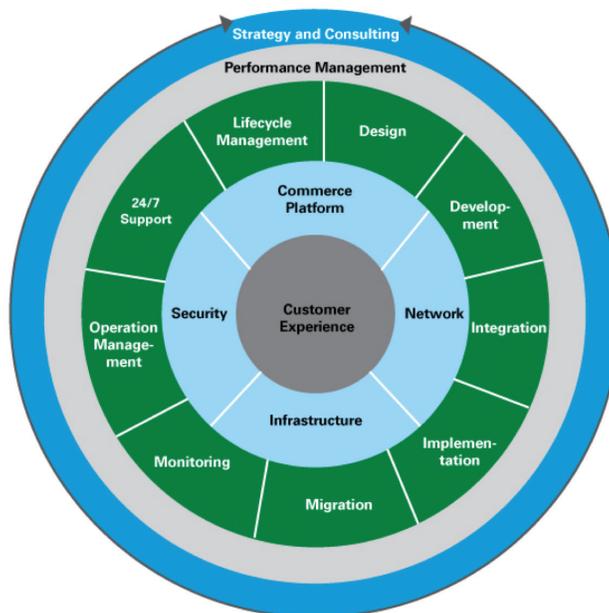
About CenturyLink Business

CenturyLink Business delivers innovative managed services for global businesses on virtual, dedicated and colocation platforms. It is a global leader in cloud infrastructure and hosted IT solutions for enterprise customers. Parent company CenturyLink, Inc. is the third largest telecommunications company in the United States, and empowers CenturyLink Business with its high-quality advanced fiber optic network. Headquartered in Monroe, LA, CenturyLink is an S&P 500 company and is included among the Fortune 500 list of America's largest corporations.

For more information visit www.centurylink.com/technology.

[1] Forrester, The ROI of Agile Commerce, September 26, 2013.

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[5] KISSmetrics - http://blog.kissmetrics.com/loading-time/

[6] Forrester, Unified APIs Lead to Success in Digital Customer Experience, June 2013, Forrester Research study commissioned by Elastic Path.

[7] Sirius Decisions, Mobile Marketing Survey, 2013.

[8] Experian Simmons, 2011 Mobile Consumer Report.

[9] Forrester, The Global eCommerce Opportunity, April 17, 2013.

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