

BOOKLET

Industry Spotlight: Retail



The Rapid Development of Digital Commerce

E-commerce is a rapidly evolving industry, particularly in the retail sector.

This booklet explores the challenges and opportunities faced by retail e-commerce and presents several Spryker solutions formulated to ensure your company **stays ahead of the competition.**



Consumer demands and digital transformation have increased exponentially in recent years.



Global e-commerce sales are forecast to reach \$7.4 trillion by 2025, up from \$4.9 trillion in 2021.¹



E-commerce transactions in the US will account for 23.6% of all sales by 2025.²



By 2025, sales through mobile will amount to \$710 billion in the US alone.³



By 2040, around 95% of all shopping will take place online.⁴

Retail E-Commerce is Growing and Ever-Transforming



Food and Groceries

Spryker's U.S. Online Grocery Report reveals how important e-commerce has become for the food and grocery industry.

47%

47% of Americans buy their groceries online "at least sometimes".

21%

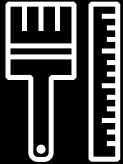
21% of US citizens expect to buy their groceries mostly or exclusively online by 2024.

59%

59% of respondents stated that convenience was their main driver for buying groceries online.

70%

70% reported that "shopping experience" and "ease of use" are deciding factors when choosing an online grocery provider.



DIY

In the US, e-commerce will make up 28% of market share in DIY and home improvement by 2025. In the UK, it will account for almost 50%.⁵



Home and lifestyle

By 2025, the US e-commerce market for home furnishings is projected to be worth \$61 billion.⁶



Fashion

The largest B2C e-commerce market segment, fashion, is forecast to grow 9.1% per year, reaching a total market size of \$1.2 billion by December 2025.⁷



Sports

Sports e-commerce will see double-digit CAGR from 2020-2025, growing three times faster than sports offline retail.⁸

Meeting Consumer Needs and Staying Competitive

Robust e-commerce solutions are more frequently demanded by consumers, meaning companies must ensure their own digital presence is **effective**, **accessible**, and **innovative**.

To remain competitive, enterprises have to invest in a platform which provides the **agility** and **flexibility** required to match modern workflows and customer expectations.

Tried-and-tested solutions, alongside **cutting-edge innovations**, will ensure companies thrive in their field.

Spryker offers **full modularity**, **unlimited scalability**, and **complete flexibility**.



Spryker at a Glance

Six reasons Spryker enables companies in the retail industry, and beyond, to remain innovative, competitive, and relevant.

1

The Commerce Operating System for B2B, B2C, Enterprise Marketplace, IoT and Unified Commerce business models: Fully modular, API-based, headless.

2

Keep up with customer demands: Integrate front-ends and touchpoints tailored to the needs of your customers.

3

Access a complete range of B2B, B2C, and Marketplace capabilities, as well as Spryker App Composition Platform and Composable Storefront.

4

Utilize state-of-the-art technology that offers a range of digital best practices in one product.

5

Customize with full flexibility: Access a leading global ecosystem of technology partners.

6

Benefit from a low cost of ownership through a fast return on investment, rapid time to market, and lean development.

Spryker's Retail Customers

You're in good company

A wide variety of companies in retail industries are already transforming, scaling, and optimizing their digital commerce with Spryker.





B2C Retail/DIY

- ✓ Enriched with Spryker capabilities, including Elastic Search and customizable products.
- ✓ Implemented a unified back-end for orchestrating multiple front-ends.

“Our old system was getting stuck, and we couldn’t progress any further. We made the decision to work with Spryker to provide great customer experiences with a high level of code quality.”

—**Lars Malach**, Technical Lead, KÖMPF Onlineshops GmbH



B2C Retail/Groceries

- ✓ Spryker implemented an MVP Click&Collect within two weeks.
- ✓ Created API-based and headless services.

“Even though we had little time to make a decision, it should still offer a long-term perspective. And it quickly became clear to us that Spryker would provide us with the greatest innovative power and flexibility in the future.”

—**Daniel Richter**, Director Multichannel, Globus



B2C Retail/Sports

- ✓ Spryker capabilities used to solve complex buying journeys.
- ✓ Utilized strong OOTB features for rapid time to market.

“We have to adapt quickly and flexibly to changing conditions and try out new things. This is why technology ownership is hugely important for us to be able to survive and grow in a very dynamic environment.”

—**Thorsten Heckrath-Rose**, CEO Rose Bikes



B2C Retail/DIY

- ✓ Spryker B2C Capabilities used to create omni-channel commerce.
- ✓ Headless interactions, with decoupled back- and front-end to address load speed and UX.

“It is important for us to ensure a strong performance of our omnichannel solution. With Spryker, this works through the decoupling of front-end and back-end, while simultaneously providing harmonious interaction of the two.”

—**Denis Contessi**, Head of E-Commerce, Jumbo Markt AG



Marketplace

Expand your portfolio by adding external products and services offered by Merchants. This can be run as a 1st- or 3rd-party Marketplace.

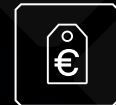
Benefits of Marketplace:

- **Scale faster** - Rapidly expand the size of your online offering.
- **Enrich product portfolio** - Stock a wider range of products. Test new products with little risk.
- **Save time and resources** - Allow Merchants to input their own products and information.
- **Maximize customer convenience** - Let customers easily find exactly what they need at a competitive price.
- **Increase customer loyalty** - Become a one-stop-shop for your audience.
- **Operate internationally, 24/7** - Transcend borders and timezones by utilizing local Merchants.

Spryker Enterprise Marketplace



Spryker Cloud Commerce OS





Product Bundles

Bundle individual items to be sold together as a package. Bundles can be priced at a discounted rate compared to each product sold separately. Items can be tied together freely according to your own logic.

Benefits of Product Bundles:

- **Increase average order value** - Customers are more likely to buy more than one product in a single order.
- **Reduce inventory waste** - Bundle slow-moving products with popular ones to increase sales.
- **Decrease distribution costs** - Sending more items via one delivery reduces delivery costs overall.



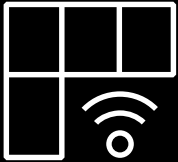
POS (Point of Sale)

Used to facilitate end-to-end purchasing experiences. POS systems enrich customer experience and create smoother purchasing journeys.

Benefits of POS:

- **Centralized management** - POS systems are all-in-one solutions which act as a central managerial hub for multiple aspects of business.
- **Increase speed of service** - Self-service kiosks and mobile and tablet checkout devices encourage rapid sales journeys.
- **Offers customer insights** - Data from POS systems can be used to build targeted campaigns and reach demographics with specific messaging.

Headless Solutions for Retail



Smart Shelves

Track stock and ensure products are always available on the shop floor with smart shelves. These clever touch points detect and alert team members when shelves need replenishing, meaning products are always within customers' reach.

Benefits of Smart Shelves:

- **Real-time inventory tracking** - Track popular products and preemptively order new stock.
- **Increase customer revenue** - Customers are more like to purchase when products are consistently visible.
- **Sync with other smart devices** - Further create an omni-channel experience.
- **Alerts in real-time** - Let employees and customers alike know when items are available.





Electronic Shelf Labels (ESL)

Connect ESLs directly to a centralized ERP system. Information on ESLs, such as product price, can be updated instantly and automatically from this one source.

Benefits of Electronic Shelf Labels:

- **Increase sales** - Reports indicate that ESLs increase sales by approximately 6%.⁹
- **Offer additional information** - Display nutritional information, item size, price per weight, stock remaining, and more.
- **Enable dynamic pricing** - Automatically update prices to match or undercut competitors.
- **Increase information accuracy** - A centralized system keeps all ESLs up-to-date with accurate information. Unlike paper tags, ESLs won't go missing.

⁹ Omnia



- **Personalize shopping experiences** - QR codes allow customers further interaction with products.
- **Optimize Employee Hours** - Staff no longer need to replace out of date or missing labels.
- **Reduce waste** - No more paper labels or plastic label holders.
- **Analyze footfall** - ESLs can track customer traffic throughout your store.

About Spryker

Spryker Systems GmbH is a privately held technology company headquartered in Berlin, Germany and New York, USA. Founded in 2014, Spryker enables companies to build sophisticated transactional business models in unified commerce including B2B, B2C, and Enterprise Marketplaces. Spryker is the most modern, fully composable platform-as-a-service (PaaS) solution with headless & API-based architecture that is cloud and enterprise-ready and loved by developers and business users worldwide. Spryker customers extend their sales reach and grow revenue with a system that allows them to increase operational efficiency, lower the total cost of ownership, expand to new markets and business models faster than ever before: Spryker solutions have empowered 150+ companies to manage transactions in more than 200 countries worldwide and is trusted by brands such as Aldi, Siemens, Hilti, and Ricoh. Gartner® recognized Spryker as a Visionary in the 2021 Magic Quadrant™ for Digital Commerce, just one year after it first appeared (2020), and has also been named as a major player in B2B e-Commerce by IDC. Finally, it is the only commerce platform to provide full B2B, B2C, D2C, and Marketplace capabilities out of one stack. Find out more at spryker.com

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