

The Dirty Little
Secret
of Enterprise Mobility Technologies in Retail



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Executive Summary

Most leading retailers have tasked their CIOs with building a technical infrastructure to help achieve key business goals such as securing a larger share of customers' spending, attracting new customers, and driving more customer engagement. To deliver the seamless shopping experience customers want, retailers need to create anytime, anywhere, any-channel buying experiences that leave no abandoned shopping carts. But to do this, an integrated enterprise mobility infrastructure from the warehouse to delivery is needed — one that offers retailers an opportunity to differentiate and add value in a hypercompetitive market.

Yet, the dirty little secret of enterprise mobility technologies is that most standard DIY approaches to enterprise mobility can create more problems than solutions. This white paper explores the role of managed mobility services and the impact they can have on helping retail organizations build a dynamic, customer-driven mobile infrastructure to increase revenue, attract new customers, and improve customer engagement.

Enterprise Mobile Opportunities

Retailers no longer have the luxury of dictating the customer experience. Instead, today's customers and their expectations are defining what retailers need to do to stay competitive in a rapidly-changing consumer landscape. From faster checkouts and returns to personalized shopping experiences, multi-channel ordering and fulfillment, and beyond, organizations need to work faster and harder than ever to do business with customers in more ways than ever before.

Delivering all this on an enterprise scale, however, requires more than desire. Often it also requires both business transformation and a complex, but dynamic, enterprise mobility infrastructure that can support and enable the core business processes needed to delight customers, capture customer dollars, and foster increased customer engagement. Whether it's faster and increasingly dynamic warehouse processes or new point-of-sale (POS) capabilities, organizations need to integrate and take advantage of the progressively more complex range of opportunities that mobile devices can enable.

If anything, today's enterprise mobile technologies present even greater opportunities than just a year or two ago.

For example:

- Associates on the sales floor can use mobile devices to access and reserve in-demand items for in-store shoppers in real-time, offering home delivery or in-store pickup at the location of their choice to preempt a lost sale.
- In the warehouse, handheld devices can speed products into inventory.
- In distribution centers, scanners can quickly locate in-demand goods before re-routing them to stores with high demand.

In addition, a good enterprise mobility strategy can have a positive impact on revenue. Having mobile functionality available locally can help retailers' bottom lines — often significantly. Retailers deploying in-store mobile could see up to a [146% increase in sales in 2018¹](#).

Deployment of mobile POS functionality is expected to ratchet up as customers clamor for convenience — buying online/picking up in-store options, office/home delivery of out-of-stock items,

and self-checkout. Convenience is especially important to shoppers who are beginning to view stores not as transactional venues but settings for personalized retail experiences.

Another dimension of convenience comes into play when you consider how retail shoppers want to pay. [More than 33% of smartphone users worldwide expect to use their mobile phone to pay for purchases²](#). In all, [81% of retailers plan to deploy unified commerce platforms to support sales across stores³](#), mobile users, and the web by the end of 2020.

No matter where retailers are in the enterprise mobility journey, a gap analysis is likely to reveal new opportunities to boost operational efficiency, increase revenue, and forge a stronger bond with customers with enterprise mobility.

Missing out on the Mobile Opportunity

And yet many organizations aren't capturing those enterprise mobility opportunities. Not because they don't want to, but because it's too complex and they don't have the tactical or strategic vision to do it. Getting all that hardware and software to "play well" with existing enterprise solutions is one of a CIO's most significant challenges in this age of unified commerce. For many companies, there simply is not enough money and digital talent available to keep the mobile ecosystem and the enterprise architecture in sync.

Unfortunately, that's the dirty little secret of enterprise mobility technologies: Due to increasing complexity and limitations on IT resources, too many organizations are unable to take advantage of the incredible opportunities that such solutions can provide.

As they push to transform their business, organizations need to start from where they are. And with mobile technologies, that typically means ad-hoc systems built up over years. Systems that can be rigid and expensive to manage, liable to security risks, and resistant to future expansion. Retailers often find their IT staffs, the resource they used to roll out early mobile pilots, are consumed with supporting existing technologies and have little time to roll out subsequent mobile initiatives.

For years, organizations have often added new mobile technologies as needs arose. One platform and solution for POS scanners. A different platform and application for receiving inventory. A third platform for managing shipments and printing labels. Over time, these DIY enterprise mobile components take up more time and IT resources, becoming more complex and requiring more management overhead just to keep the status quo.

Even well-managed organizations face a range of enterprise mobility challenges, including:

- **A plethora of hardware:** There's a wide range of hardware operating in retail organizations — e.g. tablets, smartphones, rugged devices, wearables, headsets, bar code readers, scanners, and payment sleds. Across the retail enterprise, employees use different devices to get their jobs done. Even employees with identical devices often use them differently. This end-user focus complicates every phase of enterprise mobility, from configuration and deployment to training and support.
- **Support challenges:** Mobile devices are matched to users based on achieving ease of use when accomplishing the tasks at hand. End-user training thus covers not just operational knowledge specific to the device but also detailed "how to" instructions tailored to the user's job role and function. Support requires that same level of detailed knowledge. This highly personalized model differs greatly from the standard IT-provided desktop and laptop support, which covers only a handful of desktop and laptop types (most of which are used during working hours). Mobile

support must be available 24x7x365 and provided by agents who are knowledgeable about the specific device in use as well as the organizational responsibility of the user calling for assistance.

- **End-of-life issues:** Many of the rugged devices retailers depend on are at their end of life. They break down frequently, compromising productivity and sending support costs spiraling upward. Retail organizations often opt to put off replacing aging devices to hold down costs and avoid migration-related downtime. While it may seem counterintuitive, replacing end-of-life devices not only lowers their total cost of ownership but can also decrease support expenses as well. However, few retail IT organizations have the staff to quickly and efficiently replace an entire category of mobile devices at once.
- **Lifecycle issues:** Mobile devices require ongoing management throughout their lifecycle. After the devices are rolled out to users, retailers must maintain spare pool inventories of each device type in the enterprise to enable rapid repair and return of inoperable devices. Many of the devices that are returned often turn out to be in the “no fault found” category, which means mobile technicians could not identify a problem because the device worked perfectly. Even so, these repair-related instances must be documented to keep warranties in effect. Cradle-to-grave management of mobile devices demands a staff of skilled maintenance and repair technicians to be on the ready every day a device is in use. While some organizations try to ‘do it themselves’, most don’t want to — there are simply more effective uses for their limited IT resources than mobile device lifecycle management.
- **Loss, theft, and downtime:** Mobile device replacement is about to become an even bigger challenge as retailers roll out racks of handheld scanners for customers to use to select and scan desired products. Those scanners will need to be configured, supported, repaired, maintained, and retired just as mobile devices are now. Today, 10% of shoppers are already using these devices to scan desired products in grocery stores and other retail outlets, and an additional 65% said they would be willing to use the handheld scanners. Downtime, theft, and location-tracking expenses likely will skyrocket as this application of enterprise mobility takes hold.

So, if organizations can’t get there from here — if they don’t have the IT resources or vision — how can they possibly take advantage of all the enterprise mobility opportunities? That’s where managed mobility services come in.

A Future-Proof Enterprise Mobility Solution

The retail ecosystem — from warehouse to the customer point-of-purchase (buy online; pick up in store; delivery; in-store experience) — needs to have mobile technology that’s integrated and well-managed. An enterprise mobility strategy is a critical factor in an organization’s ability to deliver the customer experience as well as retain customers, acquire new customers, and engage/increase share-of-wallet.

But few organizations have the resources or experience to successfully design and deploy such solutions and then manage and upgrade them on a regular basis. That’s where managed mobility services come in.

Managed mobility services can simplify and streamline the enterprise mobility solution. They can also provide practical ways to integrate mobile technologies, from the warehouse to the cash registers, into the enterprise to engage and attract customers and transform your business. And while organizations can use managed mobility services for a full-scale business-transformation initiative, they’re also just as appropriate for a more limited project to upgrade endpoint security or add new capabilities to a POS system.

A good managed mobility services provider can encapsulate the whole enterprise mobility solution, including:

- Selecting and assembling the optimal hardware and software components from best-of-breed providers
- Adding in payment sleds, data services, applications, and even headsets or other devices
- Delivering integrated hardware and software solutions
- Providing ongoing lifecycle support, including help desk, repairs, and updates

A managed mobility provider should also be able to provide organizations with instant access and visibility into their mobile assets — what's where, what's being repaired, and what's in the pool.



In addition to enabling organizations to take advantage of the mobile technology opportunities outlined above, there are number of other benefits to deploying a managed mobility services solution, including:

- **Reducing or eliminating functional silos:** Deploying mobile devices across the enterprise in a DIY approach can result in functional silos — mobile solutions designed only for merchandizing or only for distribution, thus limiting corporate agility. The ideal mobility solution should break down functional silos, unifying the distribution process with merchandizing decisions for a more responsive and consumer-friendly organization. With today's mobile technologies, you can design the right mobility "eco-system" that can work seamlessly across the organization, effectively eliminating 'silo' issues.
- **Simplifying staff training:** Mobile devices will only help your organization achieve its objectives if your employees can effectively and efficiently use them as intended. That requires the right level and type of training for each different device and user. Devices must be charged, kitted, and shipped out with all the necessary accessories (e.g. payment sleds). Once devices are deployed, employees need access to ongoing support and device repair. What happens when devices are dropped, moved, or lost? Good managed mobility services can help you manage all those requirements and support scenarios, making sure the right device is in the right hands at the right time, with the appropriate training and support.
- **Complete lifecycle management:** Mobile devices don't exist in a world by themselves. Instead, large organizations have all types of new and old IT infrastructure, from printers that churn out

shipping labels to custom scanners for warehouse inventory control to the latest consumer handheld devices. Managed mobility services can ensure your mobile solution works seamlessly with critical existing components and technologies. It can also help you manage the complete lifecycle for mobile devices.

- **Optimal platform flexibility:** What's the right solution for your enterprise mobile platform: Apple iOS, Google Android, Microsoft Windows, or some other operating system? The answer will depend on your IT infrastructure, your current and future needs, and application availability. Managed mobility services providers should be able to deliver solutions that provide the optimal match according to your business needs. Doing so will ensure you benefit from the scalability and agility that unified commerce can provide.
- **Support for different personas:** To be effective, the mobile device, configuration, and capabilities need to be designed to meet the end-user persona — down to the organizational role and job function. This adds layers of complexity to mobile support. IT's traditional "one-size-fits-all support" doesn't work when it comes to mobile device deployment, since workers in the warehouse have different needs than salespeople on the floor. Ideally, managed mobility services providers intimately understand the range of devices used across an enterprise, how the organization functions at the operational level, and how everyone in the enterprise uses mobile. In addition, organizations need different types and levels of support for different deployment scenarios.

A Clear Next Step for Enterprise Mobility

Delegating the whole of enterprise mobility to a managed mobility services provider allows corporate IT staffs to focus on the technologies, systems, and solutions that move the business forward. Collaborating with a managed mobility services provider extends the reach of corporate IT and helps keep mobile technologies in sync with the enterprise's technology infrastructure and roadmap.

In addition, delegating mobile solution design, device rollout, support, maintenance and repair, and retirement can cut costs too. Bluehill Research recommends enterprises earmark [two to three FTEs to manage every 1,000 deployed mobile devices](#)⁴ — at a cost of as much as \$256,000 per year. Retailers that delegate responsibility for enterprise mobility to a partner can reduce such in-house costs — costs that can be palatable initially but become prohibitive as mobile scales up.

By working with a partner exclusively focused on enterprise mobility, a retailer can dedicate its resources to capitalizing on current market opportunities rather than trying to keep up with the confusingly fast-paced, changing world of mobile devices, platforms, and solutions. A partner with deep enterprise mobile talent can use your business goals to guide and time investment in enterprise mobile's expansion, allowing you to optimize operational value from your investment in enterprise mobility.

The Real Cost of DIY Mobile

Considering the costs for solution design, devices, device rollout, support, maintenance, repair, and retirement Bluehill Research estimates \$256/device per year.

Learn how Mobile Enables Flagship Experience Across Multiple Brands



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