

Keeping one step ahead with your multi-channel strategy

2011 has proved to be another challenging year for eCommerce and multi-channel retailers. Against a continuing background of volatile consumer confidence and increases to fuel, raw materials and manufacturing costs how will you maintain growth and margins? Putting up prices is one solution, but will this just drive customers away at the time when you'll need them most? Here's a few other ideas to consider.

Delivery options

Carriers are looking to offset the rise in fuel costs by increasing their fuel surcharges and retailers need to ensure that their delivery strategy is lean and efficient.

It goes without saying that you should negotiate improved rates and services with your current supplier. Start by arming yourself with data and trends on your shipped volumes in the last 12 months and anticipated volumes in the future. If recent years are anything to go by the proportion of shipped volume is likely to continue to grow. No one wants to embark on the added cost of integrating a new carrier but if necessary start ringing around for the best deal.

At the same time you may also want to explore whether your existing or new supplier can help you improve your offering to the customer. If Christmas 2010 taught us anything it was that delivery can make or break the experience for the customer. So

Tokenisation goes live to assist in PCI compliance

Are you still suffering from the burden of attempting to be PCI compliant?

Earlier this year MNP launched an ICPv4 'tokenised' platform via Commidea, a tokenised payment gateway provider, which takes away from our clients the need for a PCI audit. With additional upgrades and installs to our tokenised platform, more and more of our clients are seeing the benefits of this route to PCI compliance.

So what are the benefits or drawbacks of this approach? Some might argue that orders transferred in encrypted formats through SSL connections make server data even safer. But there is a stronger argument that completely removing card details from these files is currently the only way of ensuring that there is no risk that this data can be discovered and used fraudulently.

The move to a tokenised platform means you are no longer storing card details at all. The payments are authorised and charged through a PCI DSS level 1 environment hosted within Commidea itself. Card details are encrypted within this environment and



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what other improvements or flexibility can you reasonably introduce? Could you for example, add a Saturday delivery? Or timed delivery slots? Delivery to store (so called click and collect) is increasingly popular and could be something to consider.

Above all, your strategy needs to achieve a balance between customer service and acceptable delivery costs. Each additional service is likely to increase the total purchase price – but not be at the expense of lost sales.

Channel strategy

Businesses often think about adding new channels rather maximising the return from existing channels. So start by looking at how you can differentiate offerings amongst channels. By understanding the dynamics of each channel, such as customers who shop across channels, spend per channel, AOV (average order value) per channel type etc gives your business the knowledge and flexibility to market to those channels in very specific ways.

MNP's ORDERactive system is designed to give you just this type of flexibility because channels are at the heart of its operating system – and coupled to those channels is the Crystal Reports suite of reports that can unlock all this data. Used in conjunction with Data Analyser for your RFM segmentation, MNP's solution can really provide insights into your business channels and how they are being used by your customers. Armed with this knowledge you'll be able to open up endless opportunities for growth as well as target any overseas expansion for a truly 'global' approach.



only a payment access code (token) is provided to the retailer. The access code is not related to the card number in any way so cannot be deciphered for fraudulent use. Clients now only store the token details on their server, and by doing so have removed the software from the burden of PCI compliance.

Whilst migrating to a tokenised platform will not bring you 100% compliance with current PCI regulations (as the system you operate is only one part of many requirements) it is a very fundamental step in the right direction.

Avon Bulbs

As their name suggests Avon Bulbs sell all the familiar daffodils, tulips, crocus, snowdrops etc but they also offer the most comprehensive range of other bulbs and plants that might even leave Alan Titchmarsh bewildered.

Trading from their nursery in Somerset they provide an online mail order service to anywhere in the EU and have established an enviable reputation on the show circuit with Gold Medals at the Chelsea Flower show over the past 17 years.

As a growing business they primarily needed an enterprise level system to manage the seasonality of their business in terms of complex stock allocation. In addition a latest generation ecommerce platform was provided to ensure that best practice was deployed with regard to SEO and security. Early indications suggest that this integrated solution from MNP is a blooming success.

www.avonbulbs.co.uk



Past Times

Past Times is a good example of a company with a niche product range that has constantly evolved their channel strategy to take advantage of emerging consumer trends.

They were first established as a mail order company in 1986 specialising in products inspired by different design periods throughout history. Since then they have developed a network of 90 stores throughout the UK and more recently have exploited the power of online commerce to satisfy consumers looking for unusual products with a difference.

The company has recently unveiled plans to further develop its growth through a 'cool retro' positioning and selected MNP to provide a more robust back end direct commerce system and warehousing capability.

The system has been integrated with an Island Pacific merchandising system.

www.pasttimes.com



Prestige Group

Prestige Group has enjoyed considerable growth since their inception in 2005. They originally started out as a traditional storage and fulfilment services provider and have now expanded their activities into the specialist area of finishing, archiving and scanning.

They selected ORDERactive because of its proven record with other leading fulfilment providers in the UK. On one system they can configure the different requirements and needs of each of their clients – from order taking screens, process flows, rules and definitions – which is an essential requirement for any multi client outsource provider.

The solution also included WMSActive for their warehouse management which meant that they have one platform to service their whole fulfilment business.

www.prestigeservicesgroup.co.uk



client news

IJS

IJS has grown very quickly in its mission to become a new premier global logistics service provider.

Founded in 2004 with two US based offices, IJS now operates in over 80 countries with owned and exclusive agent partnerships.

Part of their future expansion plans involve taking advantage of the fulfilment and logistics opportunities that have emerged from the worldwide explosion of digital shopping channels. But to achieve this they required a platform that can provide multi client, multi currency and reporting at a client level for their billings and service level statistics.

So they have upgraded their system with an MNP solution that can deliver the very highest standards to digital shopping channels such as NiTV.

Now that's what you call remote control!

www.ijsglobal.com



Whittard of Chelsea

Fine tea and coffee retailer Whittard of Chelsea are celebrating their 125th anniversary with major plans for online growth – especially from the growing international demand for the very best of British products and expertise in this specialist market. A proven track record in interfaces and integration were important factors in their selection process for a new back end order management system with real time reporting across the business.

We're delighted that MNP was selected to take the strain with ORDERactive being integrated into a front end ecommerce platform from Blubolt.

www.whittard.co.uk

And finally . . . branching out

Not a new client but some news of additional distribution channels for existing clients.

With ORDERactive you can effortlessly add new channels such as concession stores. Kurt Geiger have now opened up in Selfridges, House of Fraser and Harrods while Astley Clark, the online jeweller, has also just opened up a concession in Harrods

When it comes to concession based order processing MNP can really talk shop!

MNP



UK. +44 (0) 1722 341342
US. +001 302 798 0700
info@mnp-media.com
www.mnp-media.com