IBM
Strategy
Consulting

IBM Commerce Transformation with Dynamics 365

Build competitive advantage

Market Insights

Retail Industry – Landscape

Accelerated Consumer Needs Shaping The Retail Landscape

Currently, consumers are facing unprecedent uncertainty. As they adjust to life in a new normal, they're looking to retailers to offer more than business as usual. Customers seek greater choice, transparency and control in how they shop without compromising on the level of personalized sales and service they expect.

Changing customer behavior is driving a rapid evolution in commerce

Digital is the new normal

Consumers and Business Buyers are shifting to digital self service purchasing driven by remote work and social distancing requirements.

Contactless Selling is mandatory

Consumers have a heightened sensitivity to our mutual vulnerability and the role we play in keeping everyone healthy.

## Customer Experience is a key differentiator

Brands should be ready to deliver experiences that are personal, optimistic, entertaining and fresh for B2C and B2B commerce.

Need for Supply Chain Agility

With disruptions in supply chain, businesses need to adjust to customer demand and fulfilment options.

IBM   Microsoft

Retailers need a new strategy

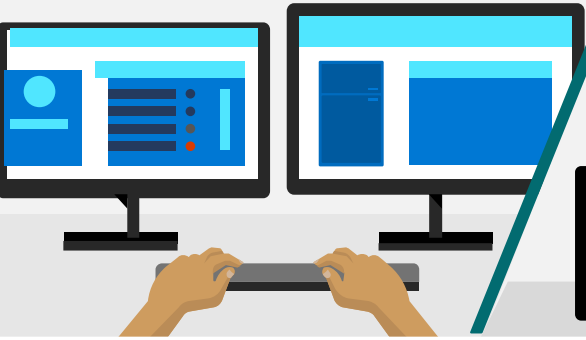IBM Strategic Partners / © 2022 IBM Corporation
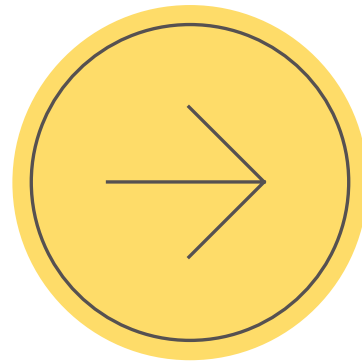
Unified customer journey

Connected consumers expect a user-friendly, seamless experience across a dynamic, personalized journey that bridges the digital and physical divide
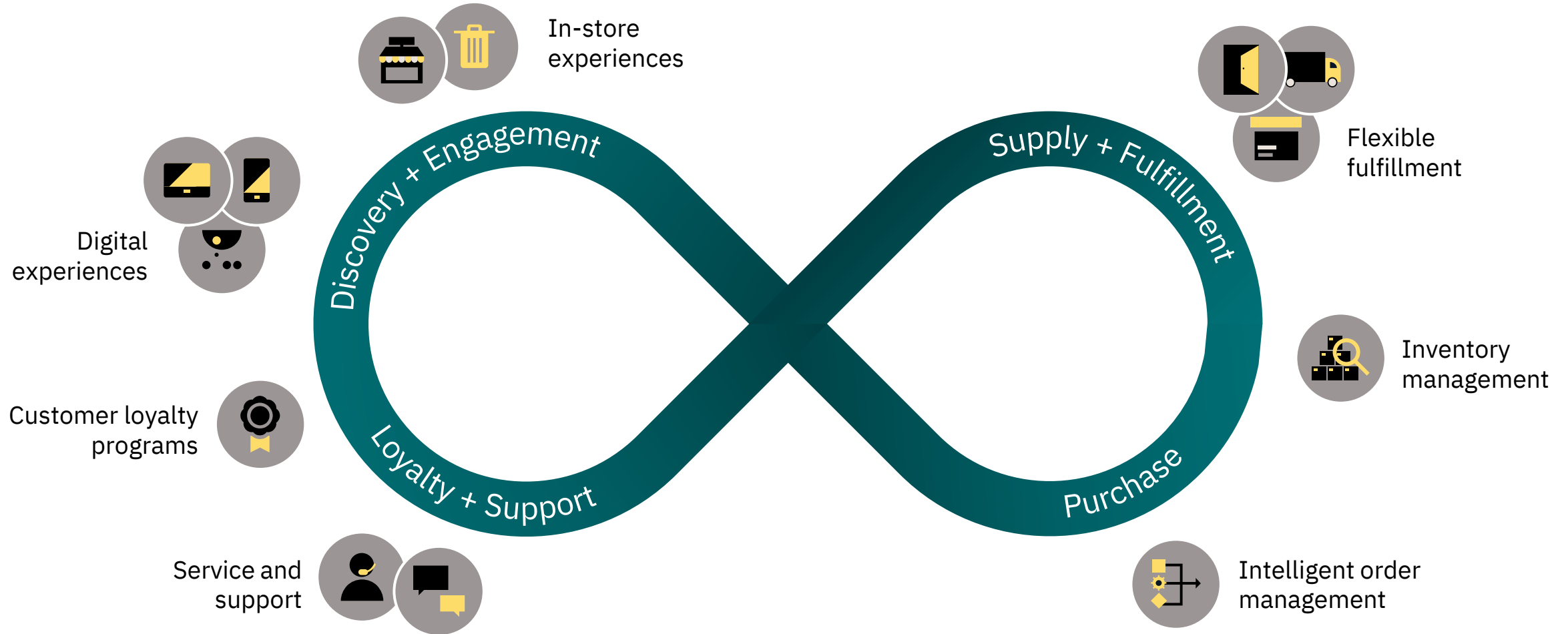
The new journey is digital, personalized and agile | B2C Journey

1 Digital engagement

2 Personalized and contactless shopping experiences

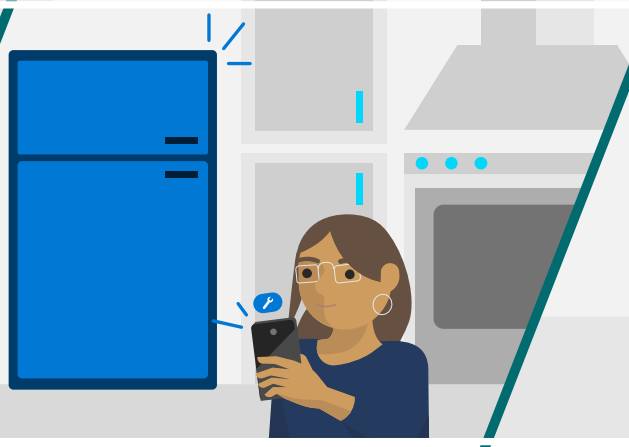**3** Omnichannel purchase and inventory visibility

4 Contextual digital and personal assistance
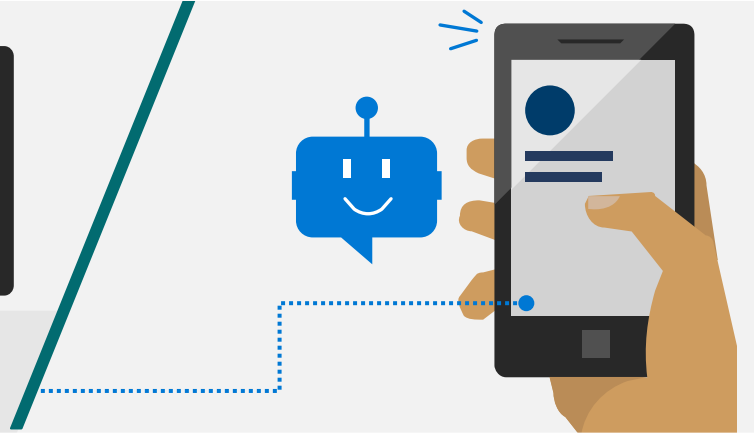
5 Intelligent and streamlined product fulfillment

6 Proactive post-sales service

7 Post-sales engagement
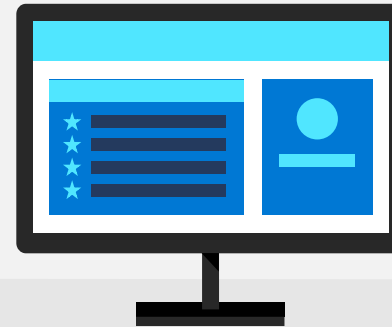
8 Advocacy
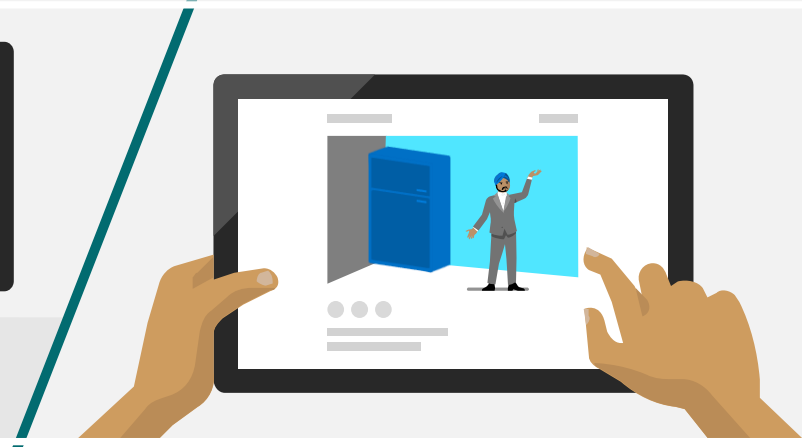
IBM   ■ Microsoft

How IBM and Microsoft can help you unlock new value

Customers

Employees

Data

Operations

Intelligence
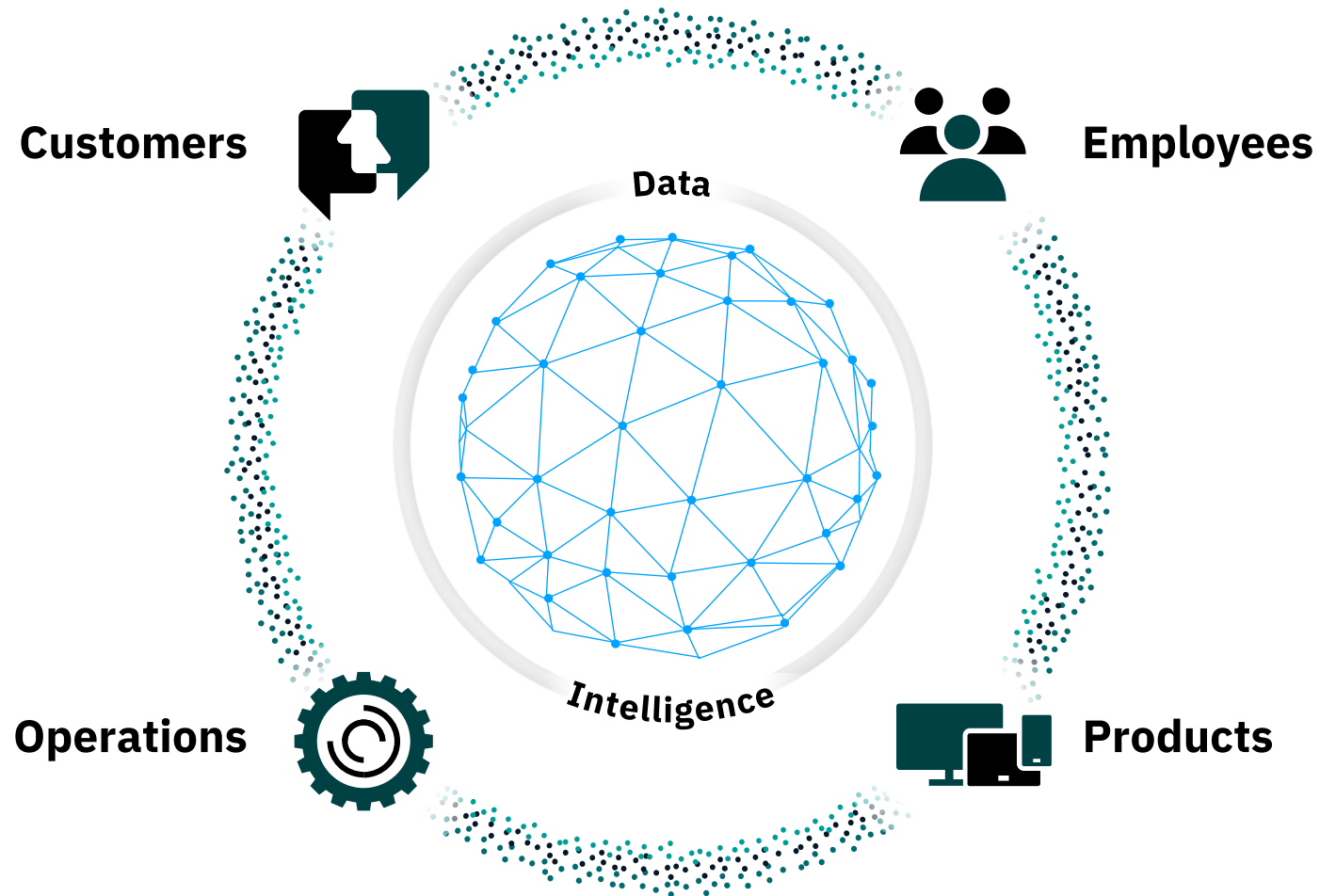
Products

The world's connected business cloud

Powerful, flexible, and agile

– From optimizing operations, empowering your employees, or transforming your products and services, Dynamics 365 and Power Platform give you the power, flexibility, and agility to help your business thrive.

Dynamics 365 & Power Platform

- Sales
- Talent
- Finance
- Operations
- Power Platform
- Commerce
- Service
- Marketing
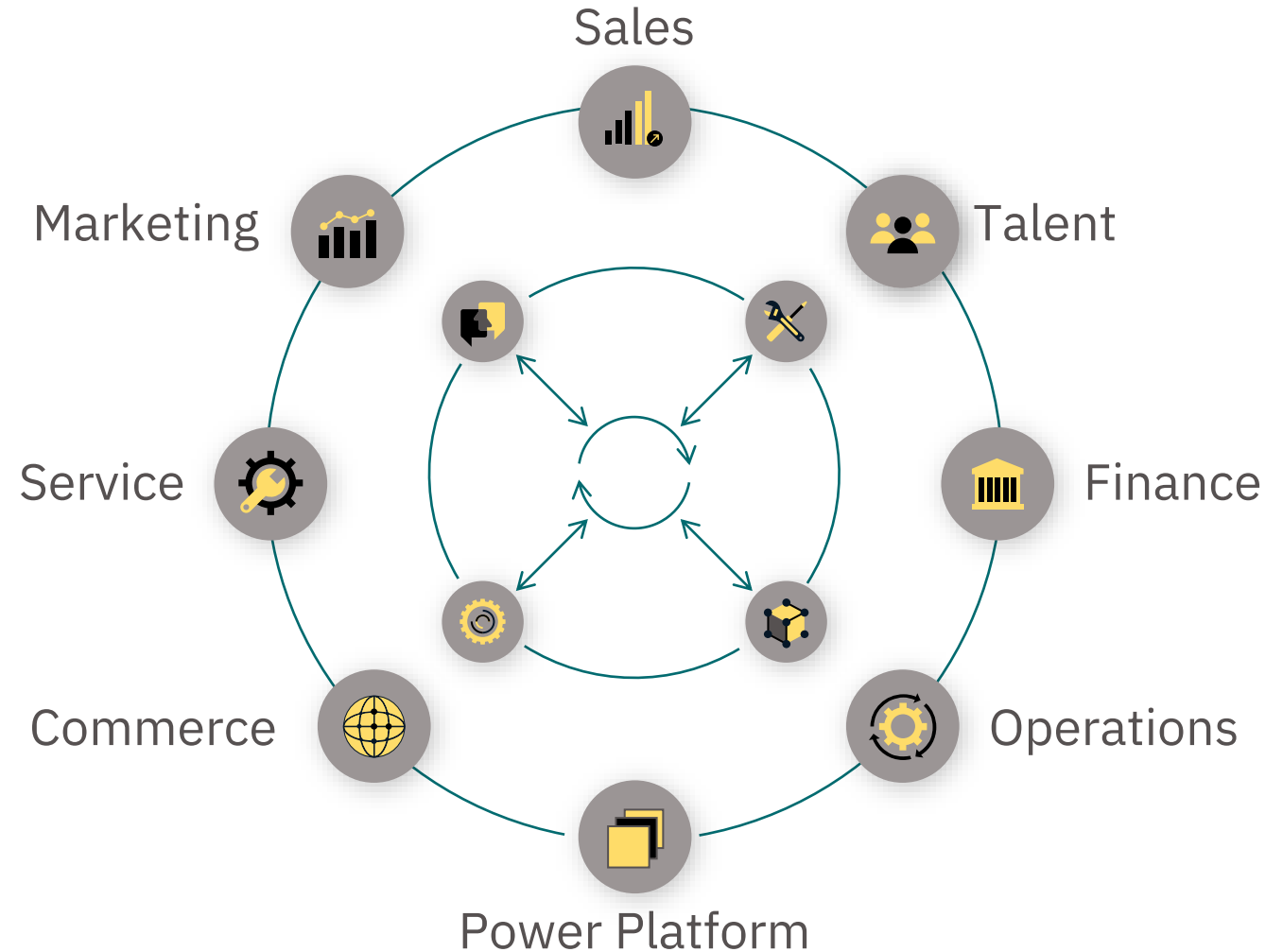
Dynamics 365 Commerce overview

An end-to-end commerce solution infused with context-aware cloud intelligence

Proven through years of use at Microsoft

An evolution of Dynamics 365 Retail now including digital commerce
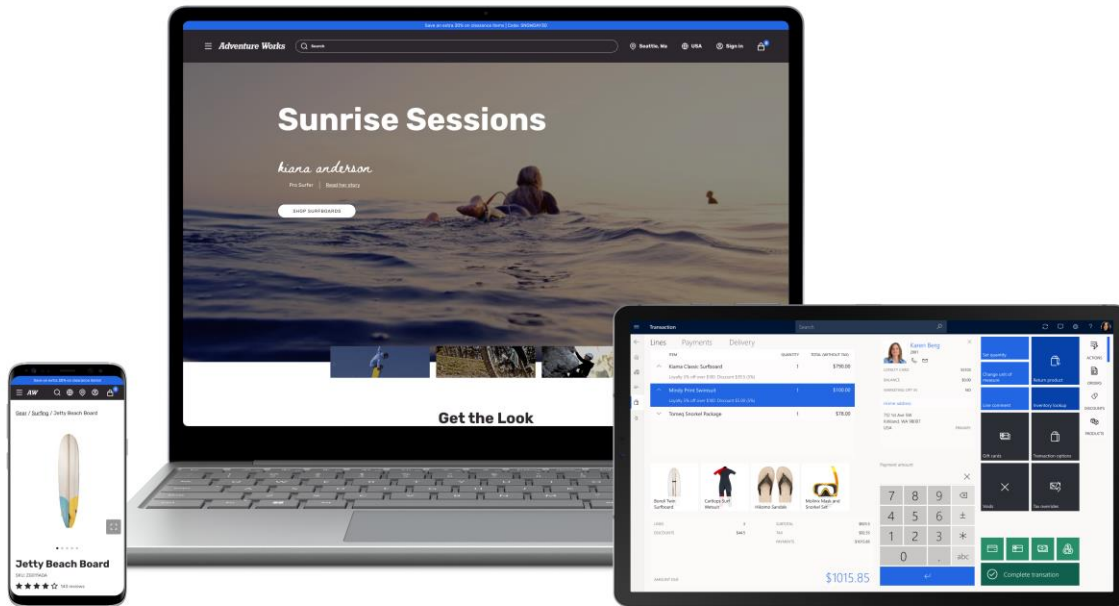
Dynamics 365 Commerce

Headless Commerce Engine

API-driven engine enabling extensible, personalized, friction-free commerce experiences and integrated, optimized back-office operations.

Dynamics 365 Commerce

Headquarters

Manage a chain of stores as one enterprise. Control daily operations, track sales information and coordinate communications for every store in the chain.

Dynamics 365 -or- 3rd Party ERP

Utilize Dynamics 365 Finance and Supply Chain Management to automate and modernize your finance and SCM operations or integrate with an existing provider.

Delivering a unified commerce experience

In store
Store registers hosted across multi form factor devices and platforms

Call center
Rich order capture and processing capabilities in call center

Digital commerce
Globally accessible e-commerce storefront

Marketplaces
Integrate into traditional and emerging marketplaces

Social
Integrate into emerging channels such as social media

Conversational
Performant runtime that supports real time requests in high throughput channels such as conversational commerce

Store clerk
Checkout flows managed by store worker on behalf of the shopper

Consumer/shopper
End user experiences on web and mobile platforms

Customer service rep
Order assistance and sales flows managed by representative on behalf of the shopper

Bots/virtual agents
AI chat bots and virtual agents automate self-service scenarios

Business user/buyer
Business facing web and call center experiences

Traditional & Emerging Channels

Customer & Business Facing

Headless Commerce Engine

Headquarters

Dynamics 365 Commerce

Dynamics 365 -or- 3rd Party ERP

Dynamics 365 Commerce

Integrated yet composable end-to-end commerce solution
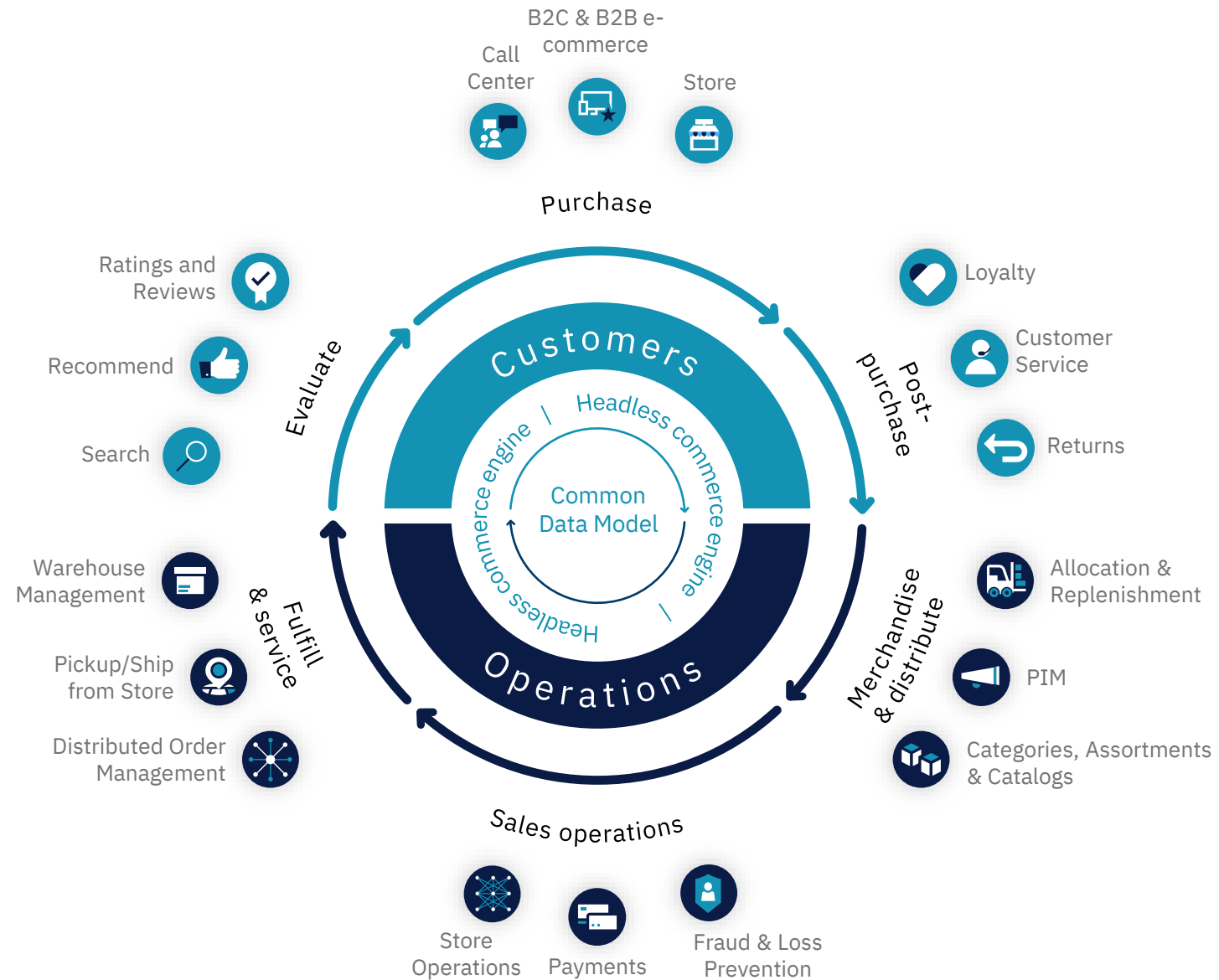
Centralized management and visibility

Complete omnichannel across traditional and emerging channels
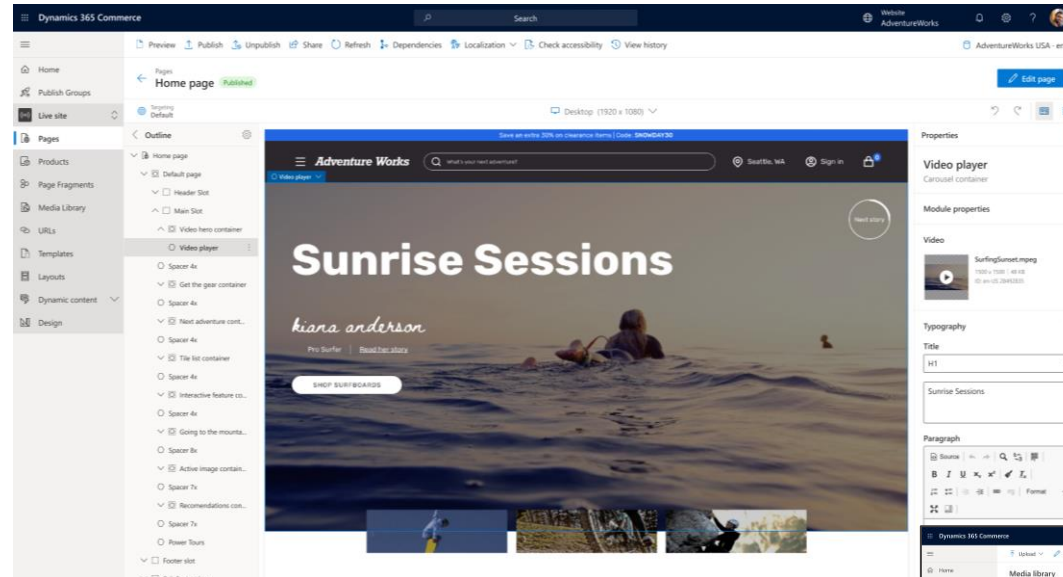
Flexible – Cloud, Edge, hybrid

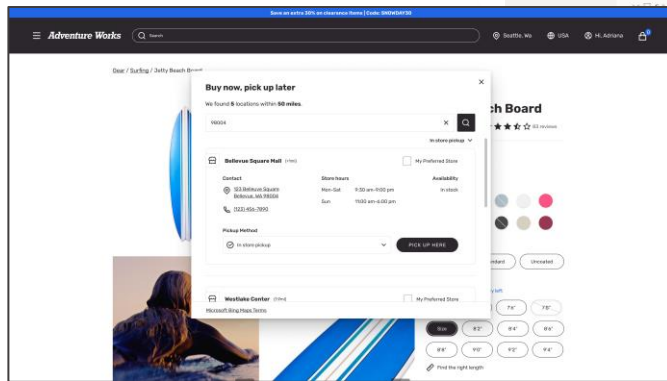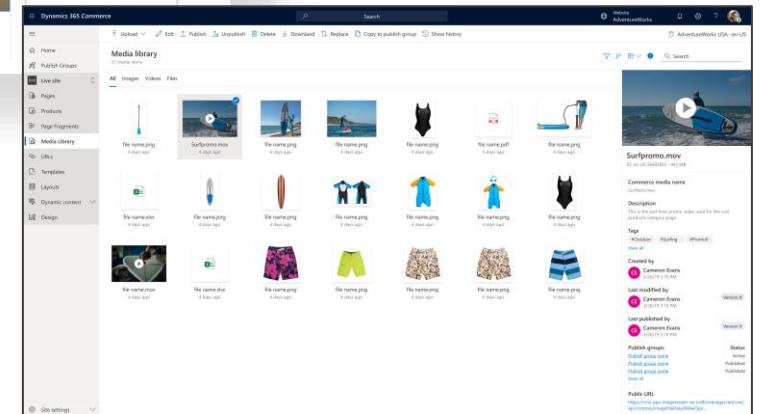Headless, intelligent, extensible and continuously updated

Call Center

B2C & B2B e-commerce

Store

Purchase

Ratings and Reviews

Recommend

Search

Evaluate

Loyalty

Customer Service

Post-purchase

Returns

Customers

Headless commerce engine | Headless commerce engine

Headless commerce engine

Common Data Model

Operations

Warehouse Management

Pickup/Ship from Store

Distributed Order Management

Fulfill & service

Merchandise & distribute

Allocation & Replenishment

PIM

Categories, Assortments & Catalogs

Sales operations

Store Operations

Payments

Fraud & Loss Prevention

IBM   Microsoft

Digital commerce key capabilities

Merchandise

Create content

Sell & Fulfill

Engage

Develop

Multiple environments
Develop on your local box, deploy to UAT, and site copy to production.

Reusable templates and layouts
Easily create reusable templates and layouts that provide branding enforcement.

Bootstrap themes
Develop engaging themes for your website using industry standard open theming libraries.

Digital commerce SDK
Unpack and explore existing modules, extend, or build new ones in React to meet the needs of your marketing team.

Data actions
Securely leverage internal and external data and work with third party products and services to create websites.

Easy deployment
Package and deploy your custom themes, modules and data actions through Lifecycle Services (LCS).
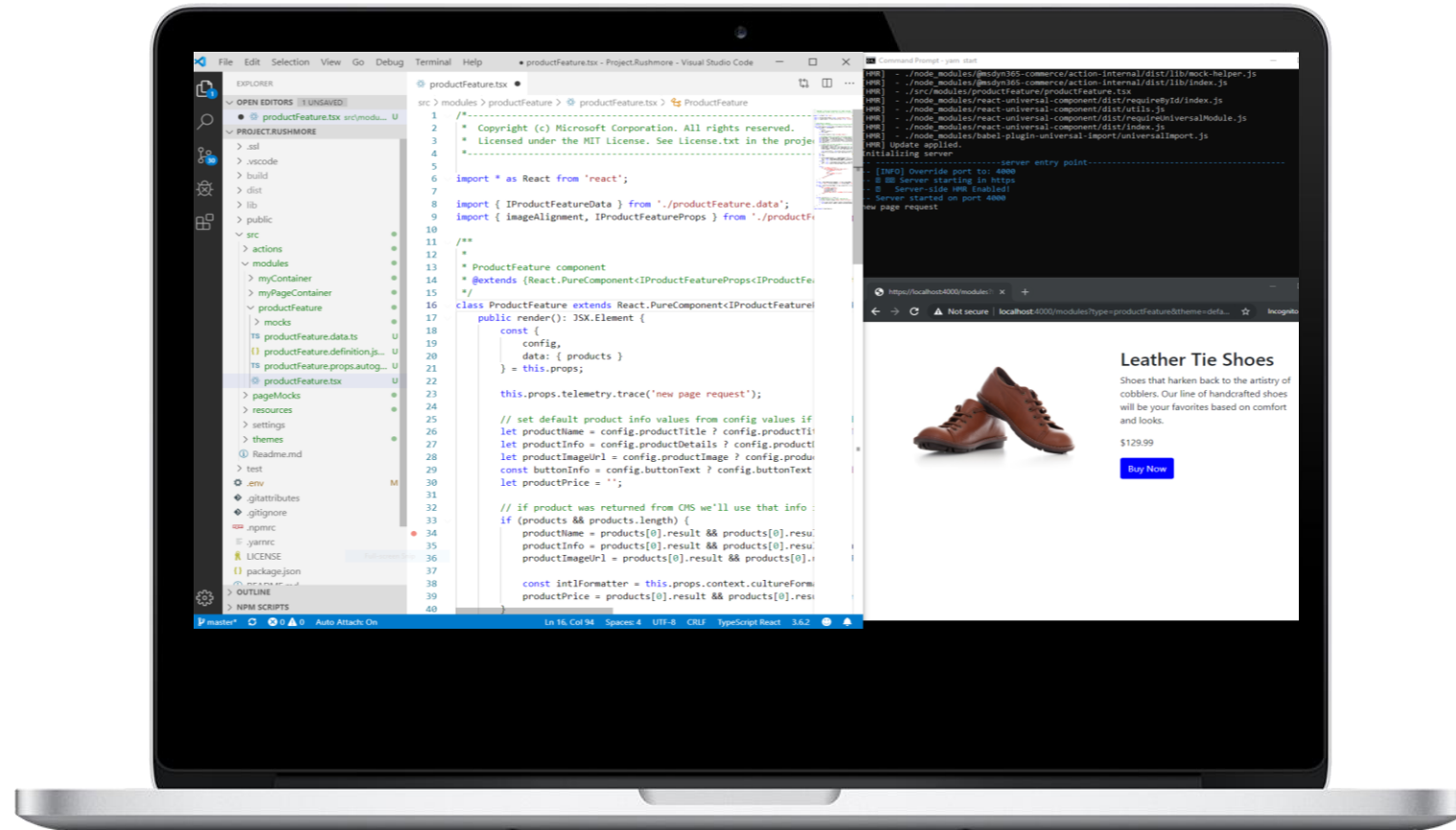
Create content

Module library
A library of 115+ prebuilt modules that enable marketers to create engaging pages.

WYSIWYG editing
Open a page, select an item to edit and make a change. No need to write code.

Reusable fragments
Edit a page fragment once and it updates everywhere across your site.

Integrated asset management
Digital media at your fingertips. Support for images, accessible streaming video, PDFs, Office docs, and more.

External asset management
Use Sitecore Content Hub and natively in Commerce or use media paths to consume media from an external CMS.

Localize and marketize
Support markets around the world with easy XLIFF import/export and shared page experiences with market specific content.
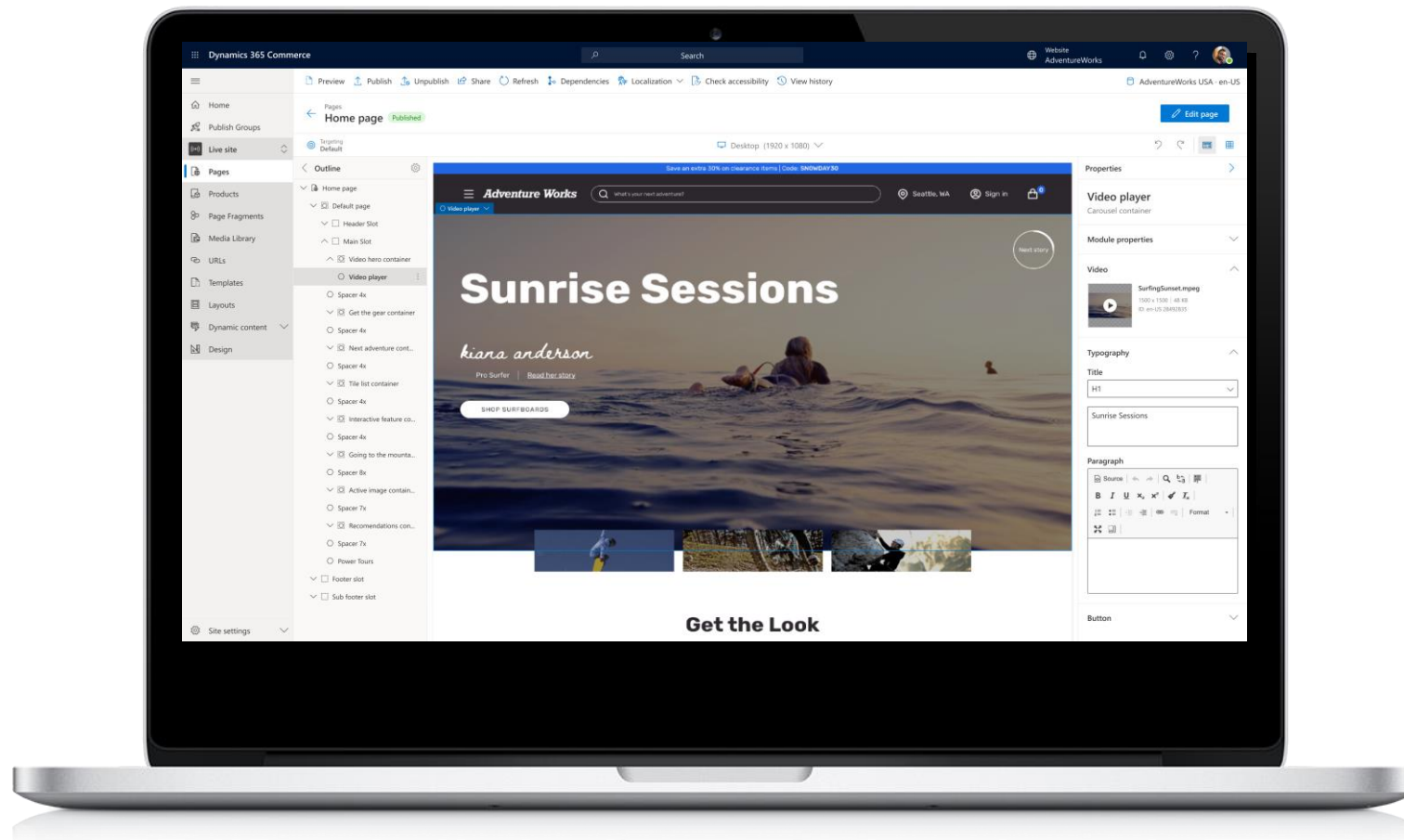
Merchandise

Support for unlimited channels
Manage all your brands and all your markets in one centralized location.

Reusable assortments
Create products once and reuse them across channels.

Easy pricing configuration
Manage pricing in one centralized location, with the ability to provide channel and category specific pricing.

Promotion and discount management
Entice customers to buy with promotion and discount offers like percent off, quantity discount, mix and match and thresholds.

Centralized inventory management
Transfer and manage across channels, prevent overselling, customize messages to shoppers, keep adequate inventory at the ideal locations.

Customizable product attributes
Enrich your product content and enable customers to easily find products with customizable attributes that drive dynamic search refiners.

Product enrichment
Easily add compelling brand and product narratives to dynamic product pages.
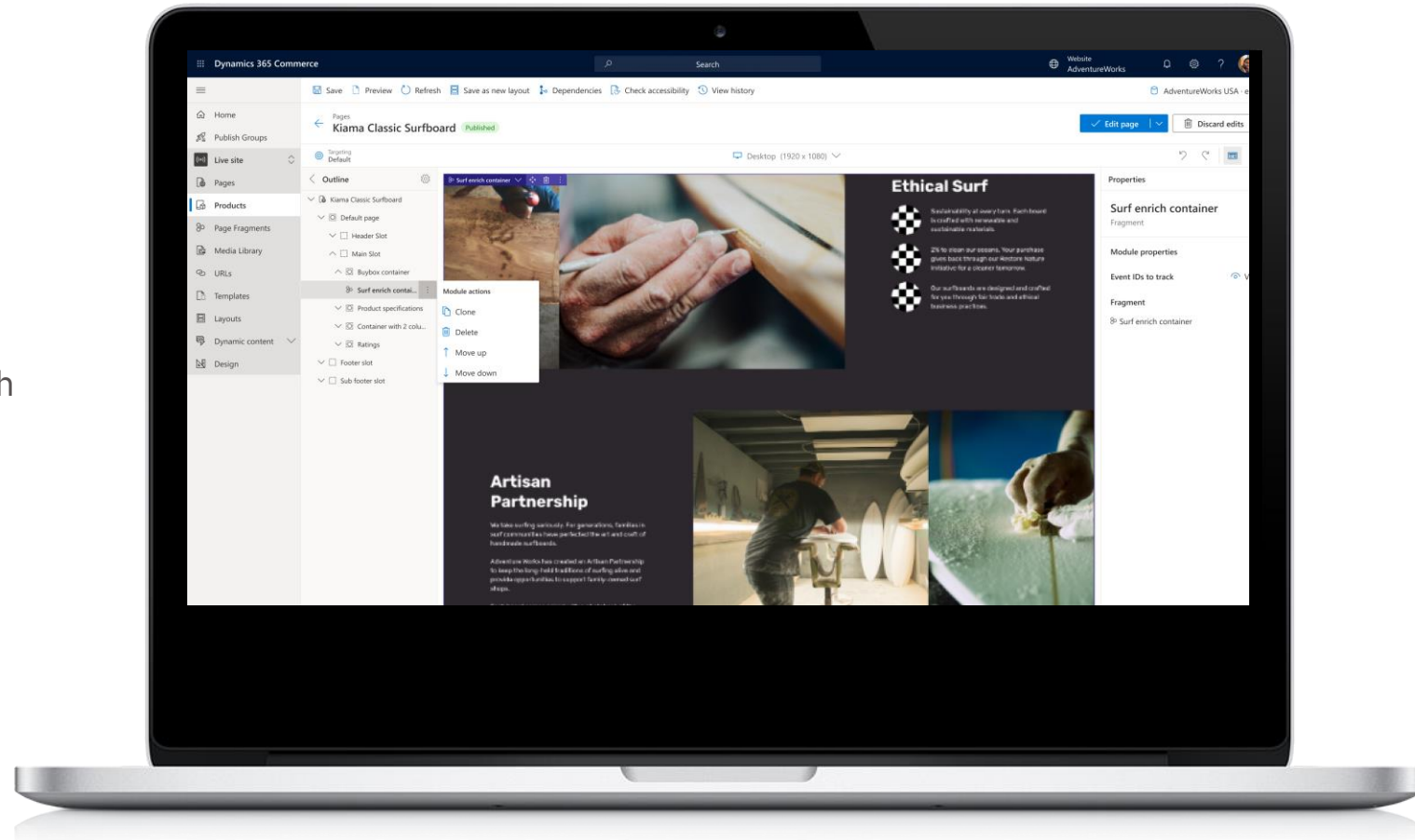
Publish

Site copy
Use site copy to easily promote your site
to production.

Integrated accessibility insights
Leverage Microsoft Accessibility Insights services
to ensure content is accessible to customers.

Search engine optimization
Responsive and SEO optimized templates and
modules ensure cleanly rendered pages. Full support
for page, category, and product metadata. Compliant
with OpenSchema.org for dynamic tagging.

Automated sitemap generation
Commerce will automatically generate your
sitemap for marketing and merchandising pages.

Publish groups
Prepare content days, weeks or months in advance.
Schedule the date and time for the content to publish.
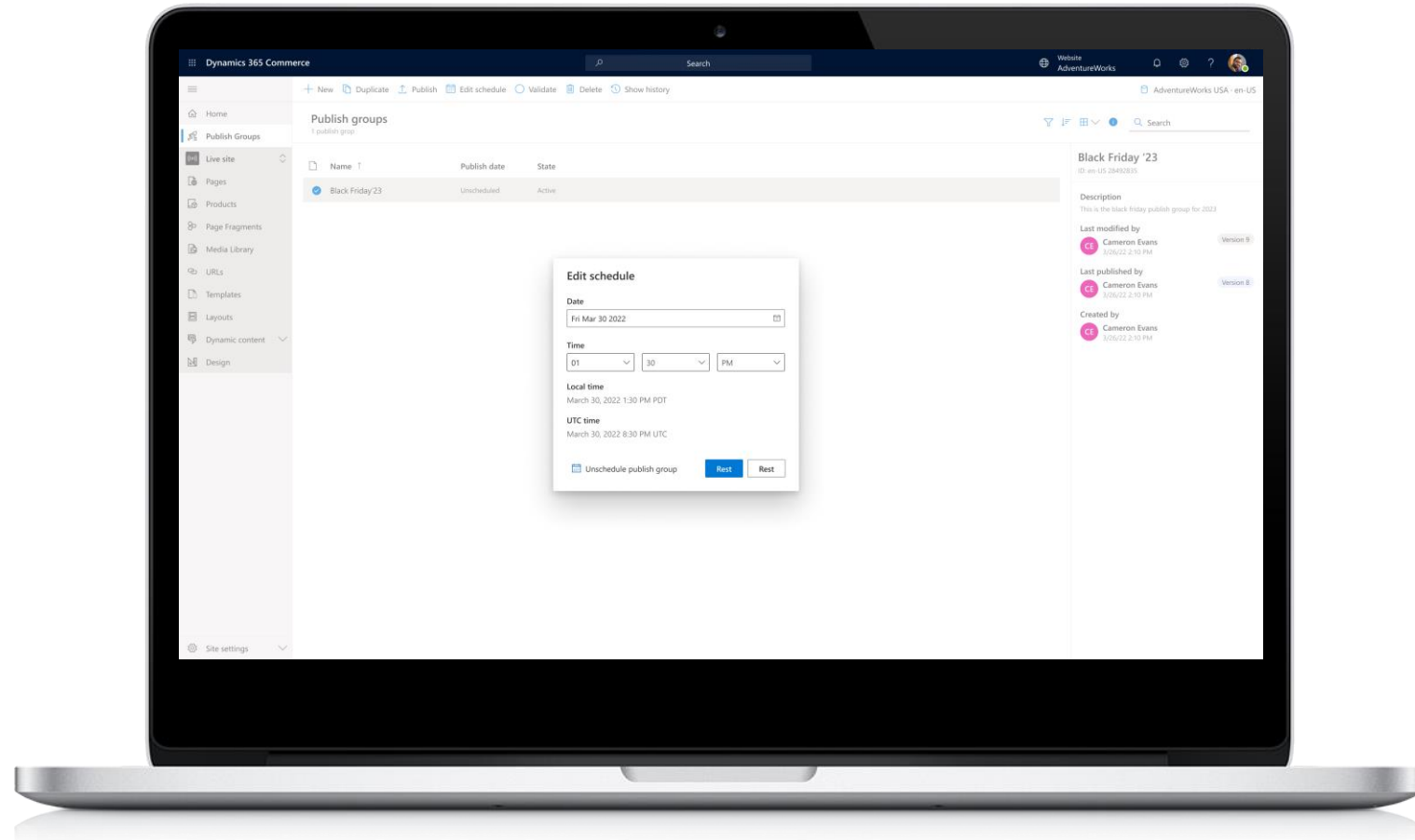
Engage

Responsive rendering

Reach customers on any screen with responsive rendering across screen breakpoints. Unique template and module views and controls engage desktop and mobile visitors.

Content Targeting

Further target content to users by GEOIP, market, language, device type and more.

Attribute-based search

Enable customers to find the products they are looking for with category and product search and product attribute driven dynamic search refiners.

A/B experimentation

Utilize popular third-party experimentation services to test layout, control and content changes and understand their impact on your conversion rate.

Microsoft Clarity integration

Understand how your visitors are interacting with your site and where they are falling out of your conversion funnel.

Intelligent recommendations

Automate upsells and increase conversions by using intelligent recommendations for algorithmic AI/ML derived product lists.

Ratings and reviews

Enable user generated ratings and reviews with AI/ML driven content sanitation, spam prevention, and modern moderation tools.
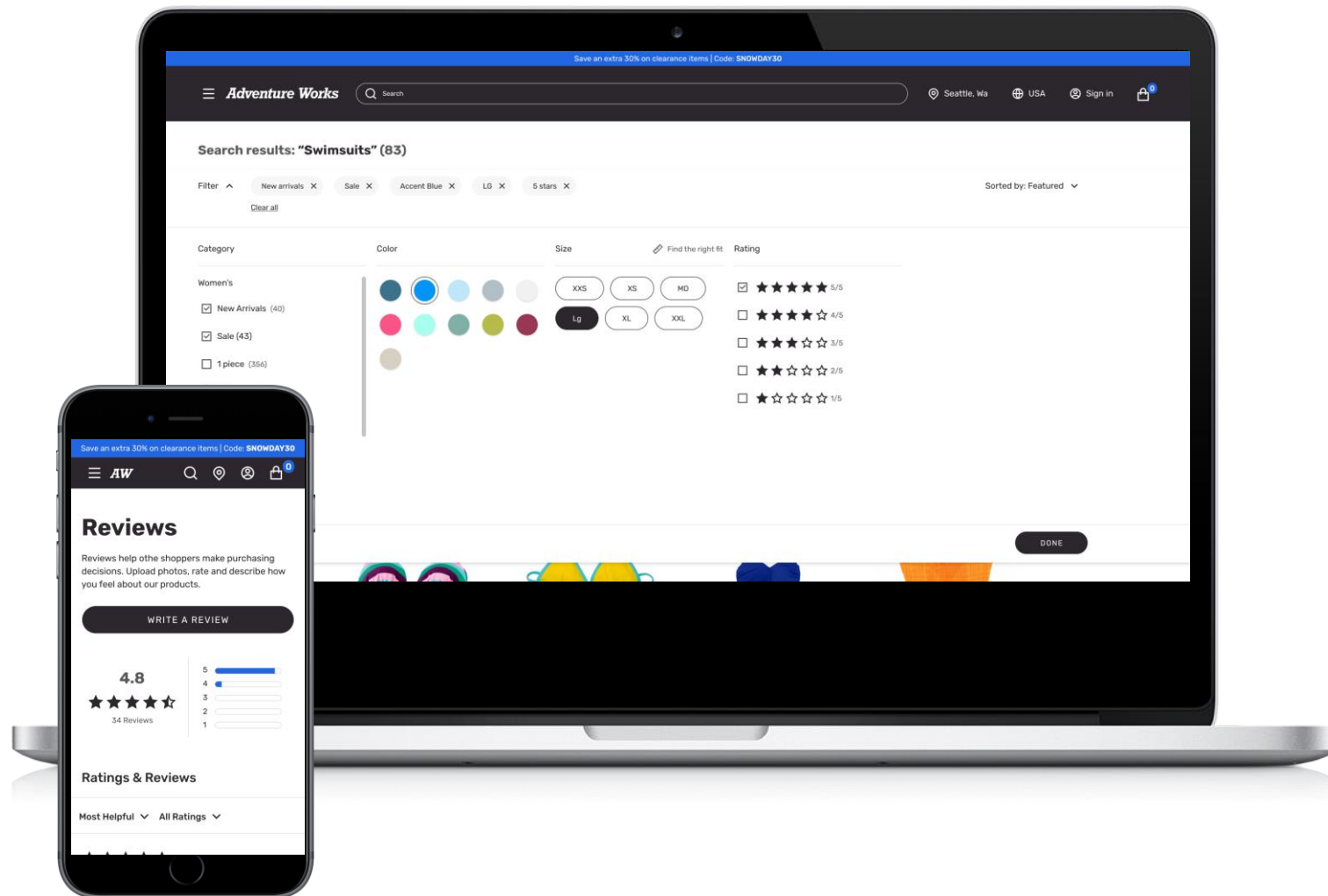
Sell

Discounts
Employ a wide range of discount types like percent/amount off, quantity, mix and match, threshold and more. Choose who and when they can be used across channels with easy creation and scheduling.

Promotions
Create compelling promotions and coupons to convert visitors to customers.

Chat bots and customer service
Use Microsoft Power Virtual Agent to aid in the discovery of categories and products, answer questions, help with checkout and support existing customers with orders that are already in the system.

Online payments
Native integration with Adyen to process debit or credit cards, PayPal express, or leverage the Commerce payments SDK to integrate with additional payment gateways.

Gift cards
Native gift card service to sell and redeem cards. Use the Commerce Payments SDK to integrate with other gift card services.

Loyalty
With native loyalty service, establish a loyalty points conversion program that helps with customer retention and repeat shopping. Customers can use loyalty points across channels.
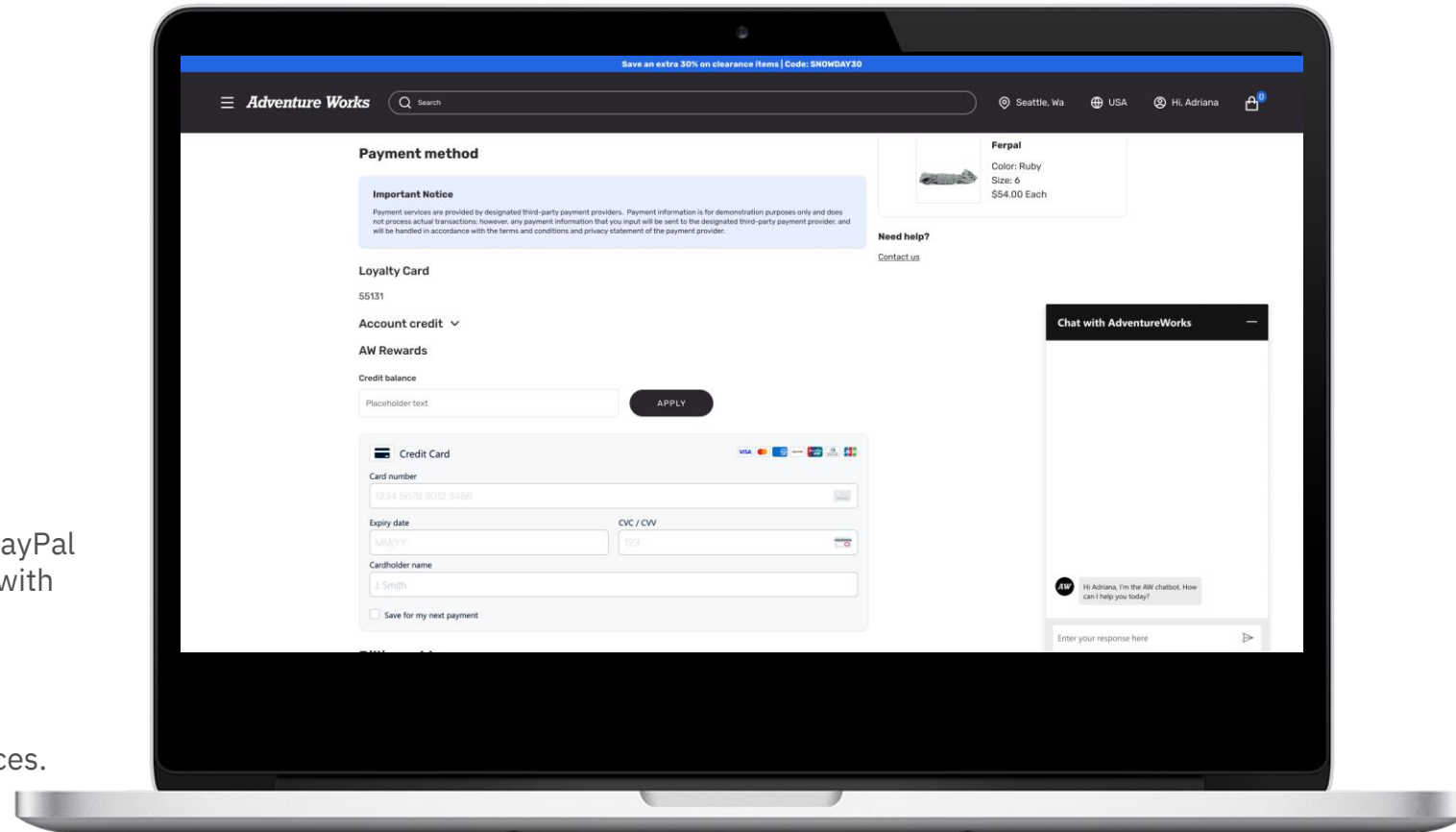
Fulfill

Flexible order fulfillment options

Show the shopper in-store inventory availability and the option to place orders for pickup in store, or ship to home.

Order management

Through Commerce headquarters or store commerce, fulfillment and customer service teams can view and manage orders, make changes as needed, and execute pick, pack and invoice operations.

Distributed order management

Intelligent DOM capabilities optimize order fulfillment and reduce operating costs by leveraging overages and/or shipping from the closest source to get orders to customers in the fastest time possible and at the lowest cost.
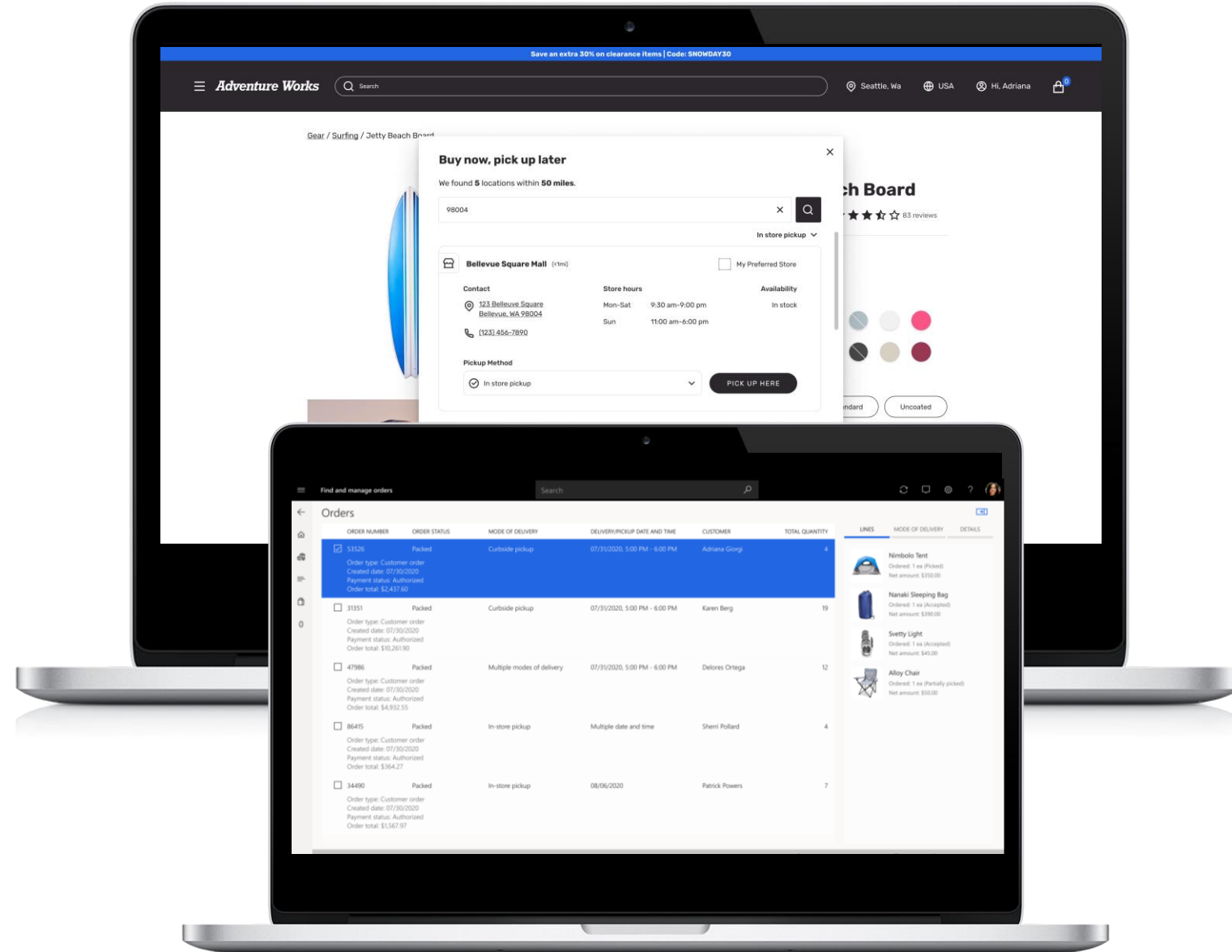
B2B digital commerce key capabilities

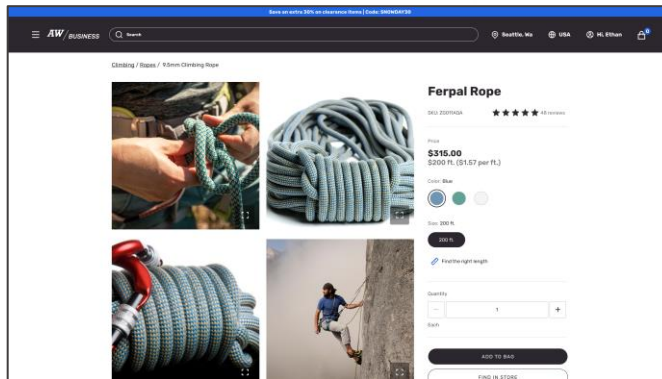**Consumer capabilities**

Quick ordering

Merchandising

Account and credit management

Consumer capabilities

Leverage
Utilize Digital Commerce B2C features to create engaging and compelling B2B sites that align with your brand.

Develop
Empower developers to create reusable, responsive modules and themes.

Create content
Empower marketers to tell compelling stories about their brand and their products.

Merchandise
Empower Merchandisers to centrally manage their products and make them available across all retail channels.
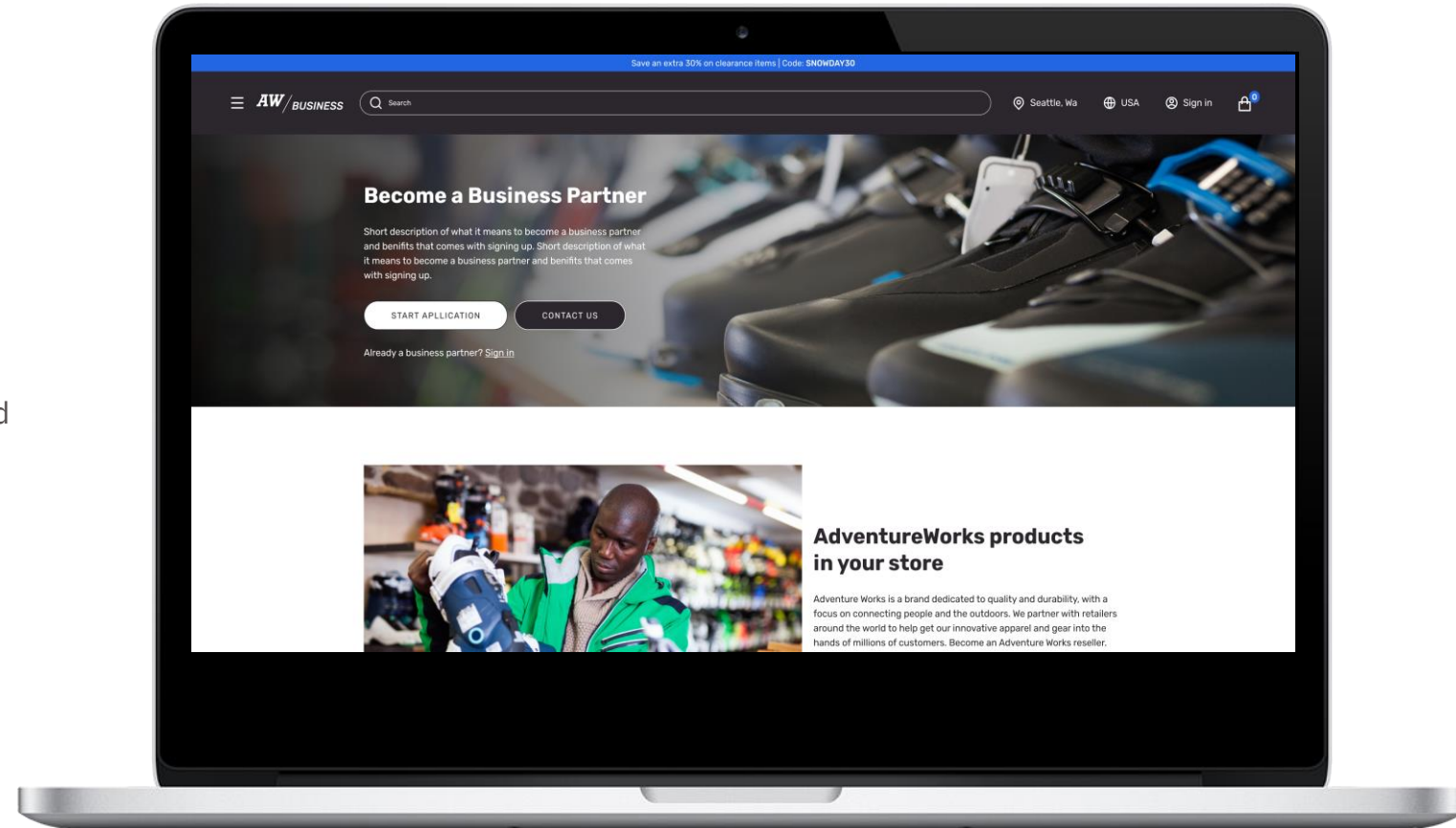
Publish
Marketers and Merchandisers can ensure content is accessible and schedule it for release.

Sell
Marketers and Merchandisers can drive customer conversions with compelling promotions, discounts and online payments.

Fulfill
Manage orders and utilize intelligent distributed order management to get orders to customers as efficiently as possible.

Merchandise

Support for unlimited channels

Manage all your brands for all your markets in one centralized location.

Reusable assortments

Create products once and reuse them across all your channels.

Centralized pricing configuration

Manage pricing in once centralized location, with the ability to provide channel and category specific pricing.

Promotion and discount management

Entice customers to buy with a wide range of promotion and discount offers like percent off, quantity discount, mix and match and more.

Centralized inventory management

Transfer and manage across channels, prevent overselling, keep adequate inventory at the ideal locations.

Customizable Product Attributes

Enrich your product content and enable customers to easily find products with customizable attributes that drive dynamic search refiners.

Product Enrichment

Marketers can easily add compelling brand and product narratives to dynamic product pages.

Catalog per customer

Merchandisers can create unique catalogs for a customer or a group of customers to govern the products they can purchased from a website.
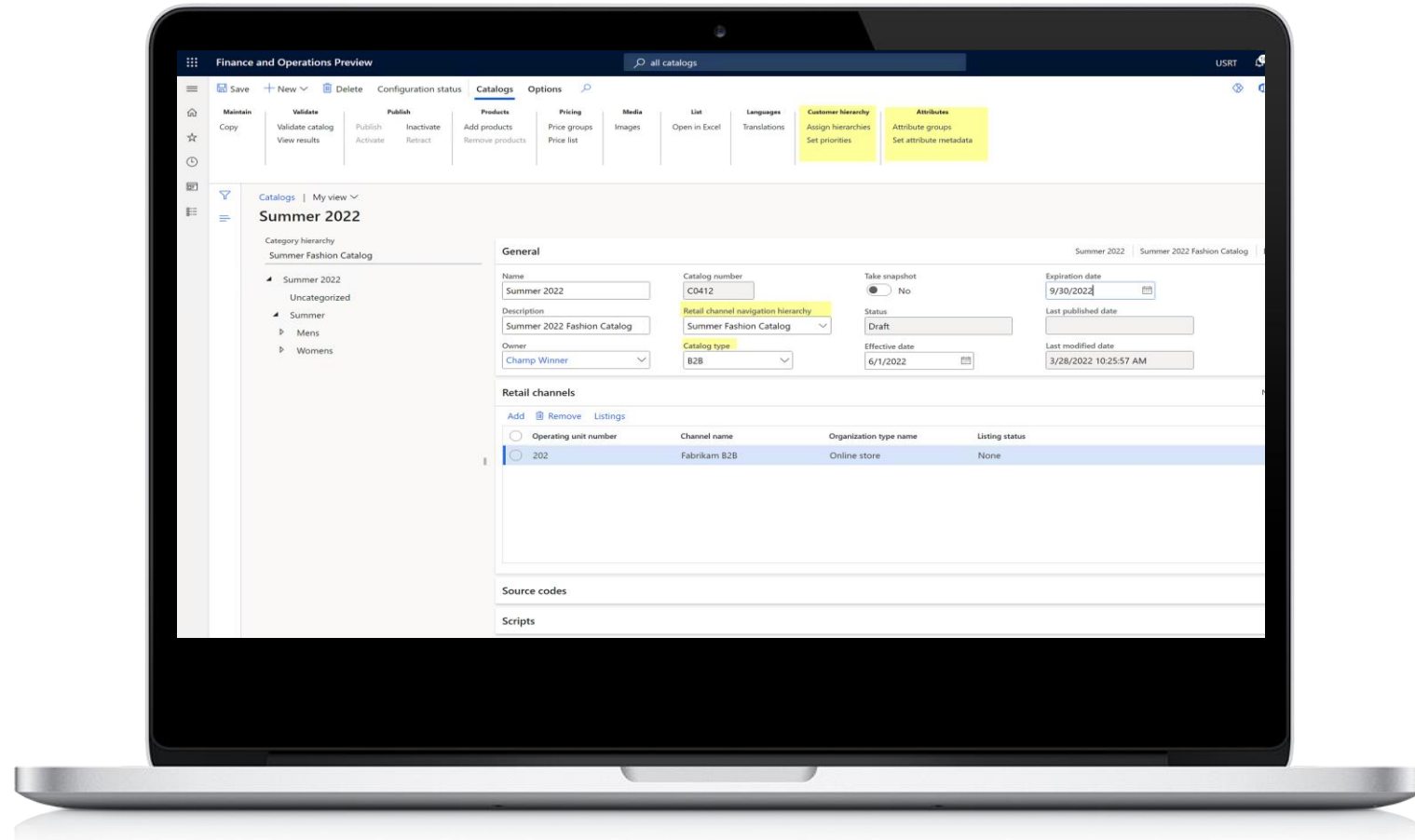
Quick ordering

Matrix ordering view

Support the ordering of bulk items using a grid view of product variants. Add multiple items to an order template or direct to the cart in a single click.

Order by SKU

Type in the SKU number along with the quantity and add the item to the cart.

Reusable order templates

Buyers add items and quantity to a template to create a group of items that they order together. Easily order the entire template or select one or more of the items to order.

Reorder capabilities

Easily reorder the same items multiple times using order history view.
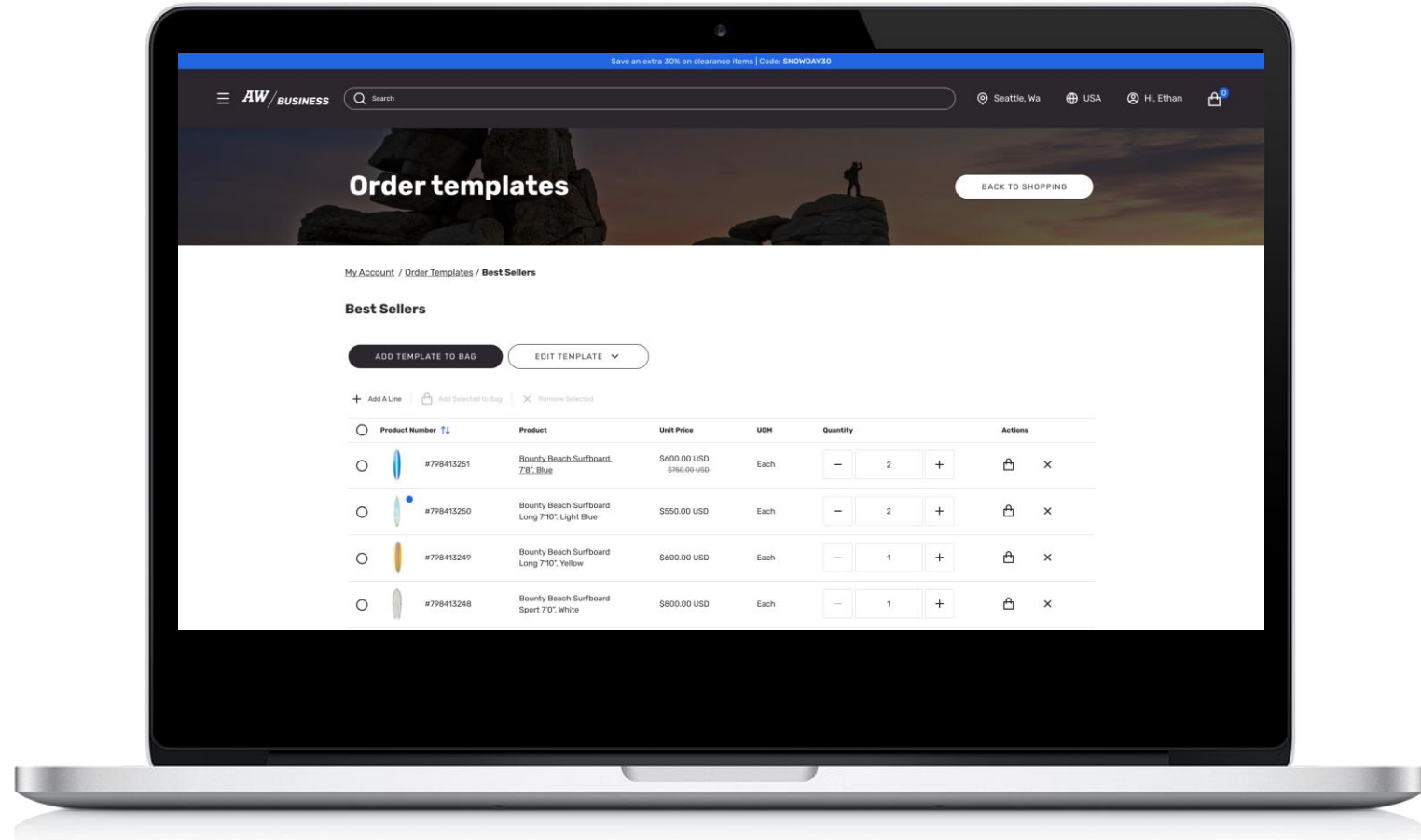
Sell

Discounts
Employ a wide range of discount types like percent/amount off, quantity, mix and match, threshold and more. Choose who and when they can be used across channels with easy creation and scheduling.

Promotions
Create compelling promotions and coupons to convert visitors to customers.

Online payments
Native integration with Adyen to process debit or credit cards, PayPal express, or leverage the Commerce payments SDK to integrate with additional payment gateways.

Support for on-account payments
Allow buyers to place orders based on available credit and leverage the invoicing capability of accounts receivable.

Contract pricing
Leverage sales agreements to create contracts that define the quantity a customer must buy within a time period and receive discounted prices for the contract.
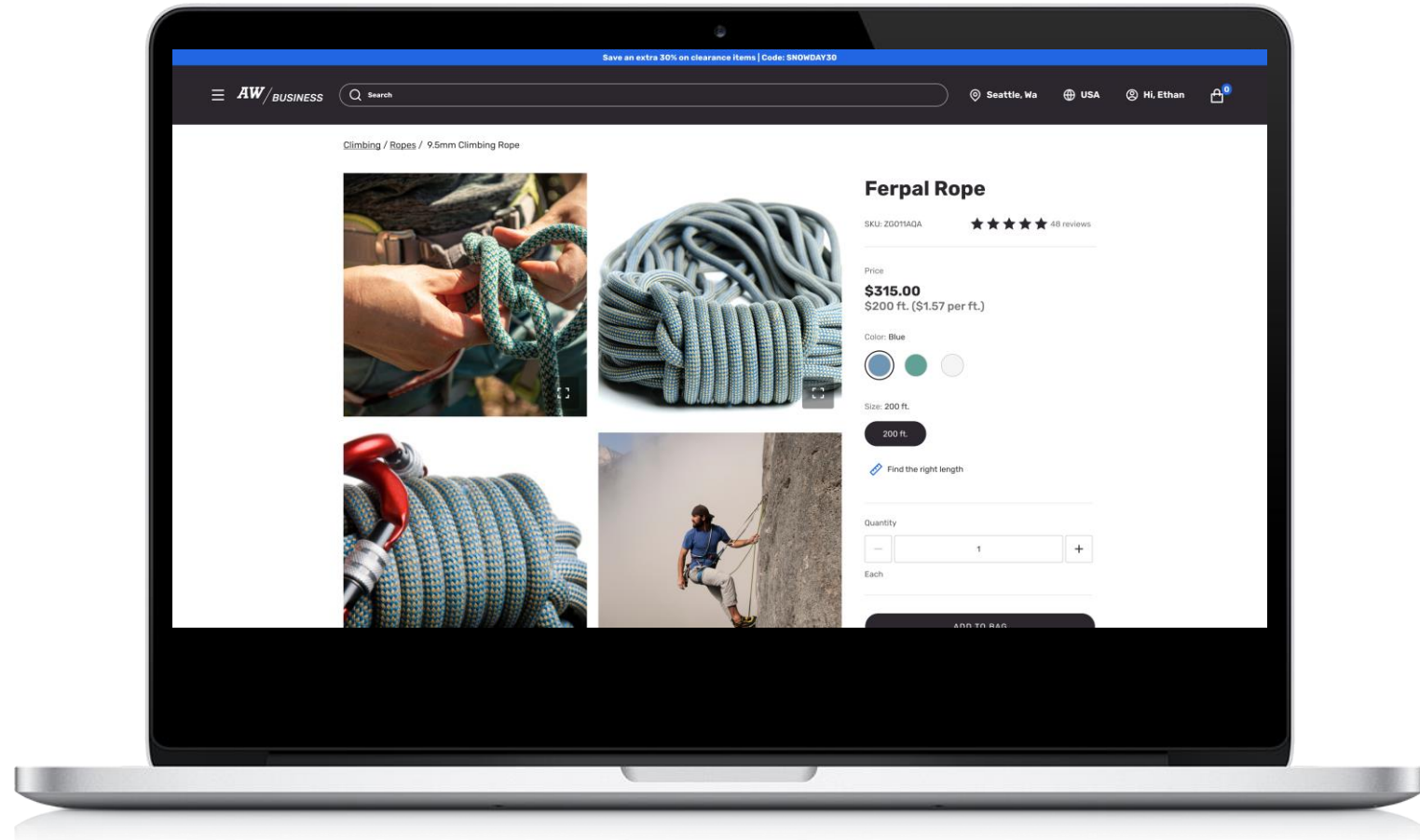
Account management

Account onboarding
Ensure buyers are approved prior to ordering from your B2B site.

User management
Enable the business partner administrator to add or remove users.

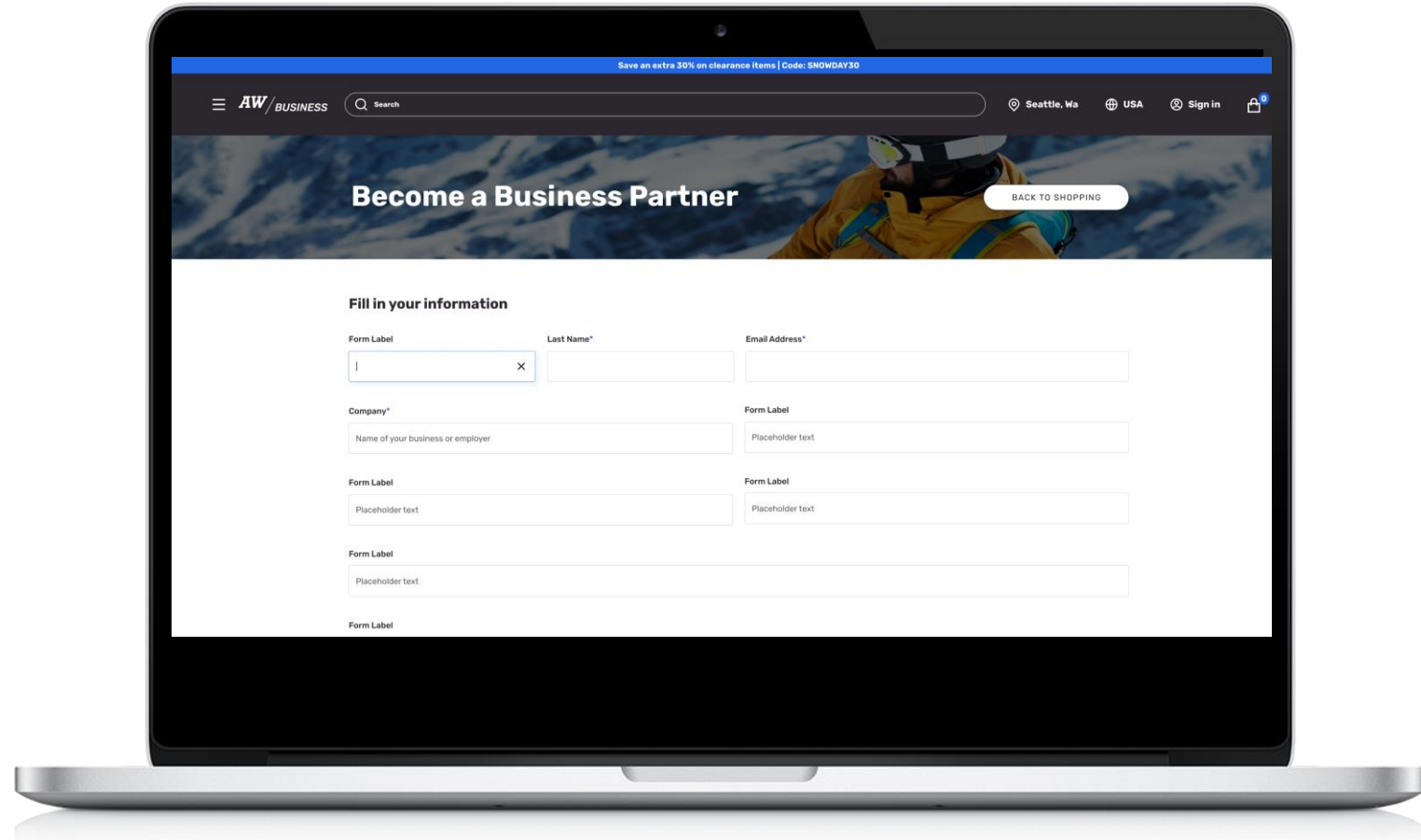**Account statement and invoices**
Allow buyers to submit requests for account statements or invoice details, which will be sent to them by email.

Invoice payments
Enable open invoice payments directly from the website using credit, debit or digital wallet payments.

Credit balances
Provide buyers visibility of spending and balances.

Credit management

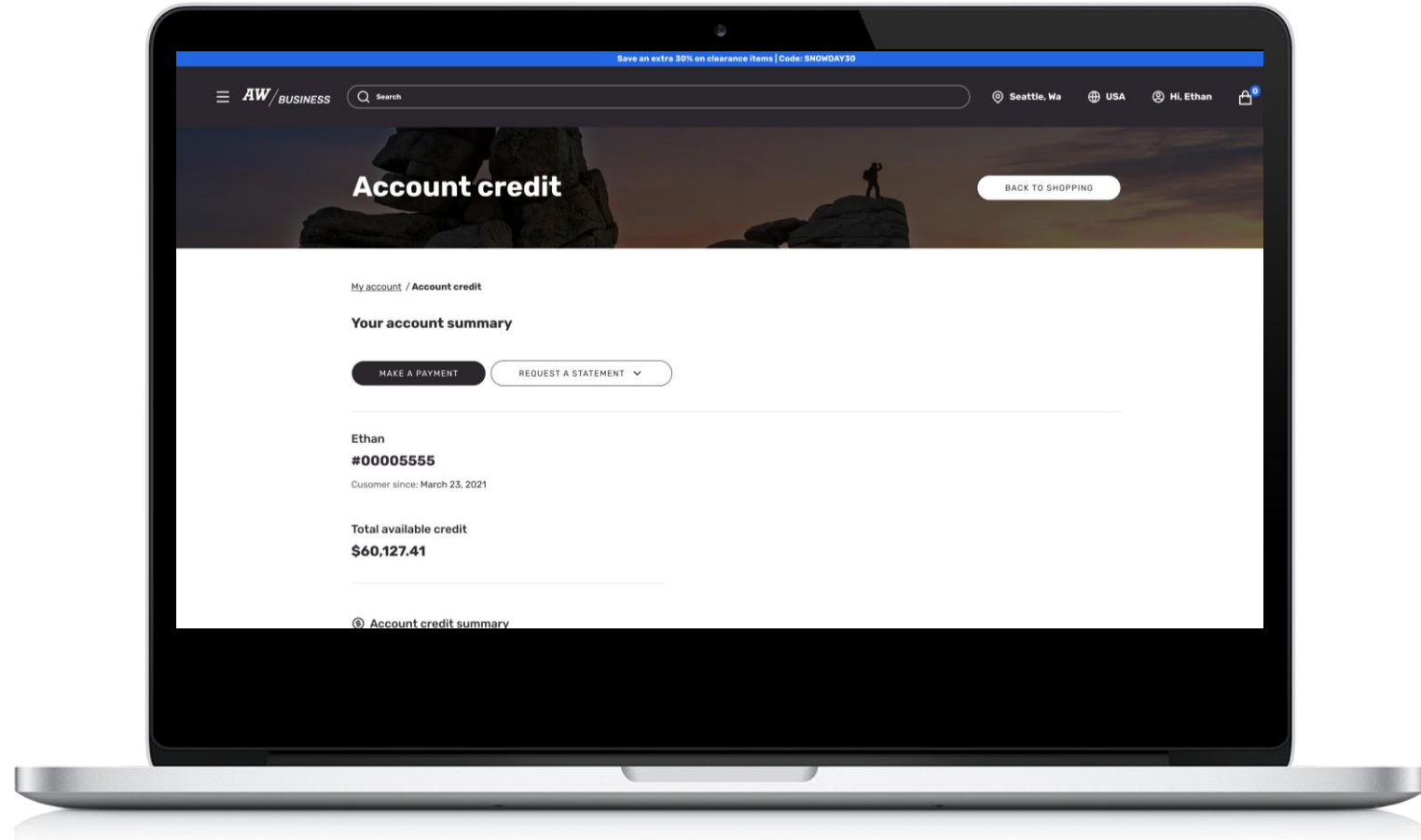**Autogenerate credit limits**
Easily define business parameters and automatically generate credit limits for business buyers.

Pay with credit
Buyers can leverage their available credit limits at checkout to place orders.

Credit limit adjustments
Business administrators can temporarily or permanently adjust a buyer's credit limit to suit the business needs.

Store commerce key capabilities

Modern POS and intelligent clienteling

Enhanced order management

Inventory Management

Modern store

Choose your device type
Enable rich and immersive sales and clienteling experiences anywhere, anytime, and on any device.

Choose your OS
Flexible architecture that is designed to support Windows, Android and iOS, and both online and offline scenarios.

Deploy and maintain
Simplified solution that is easy to deploy, configure implement and operate.

Secure and performant
Secure, scalable and cloud engineered.

Beyond POS
Friction free omni-channel commerce with built-in clienteling capabilities.
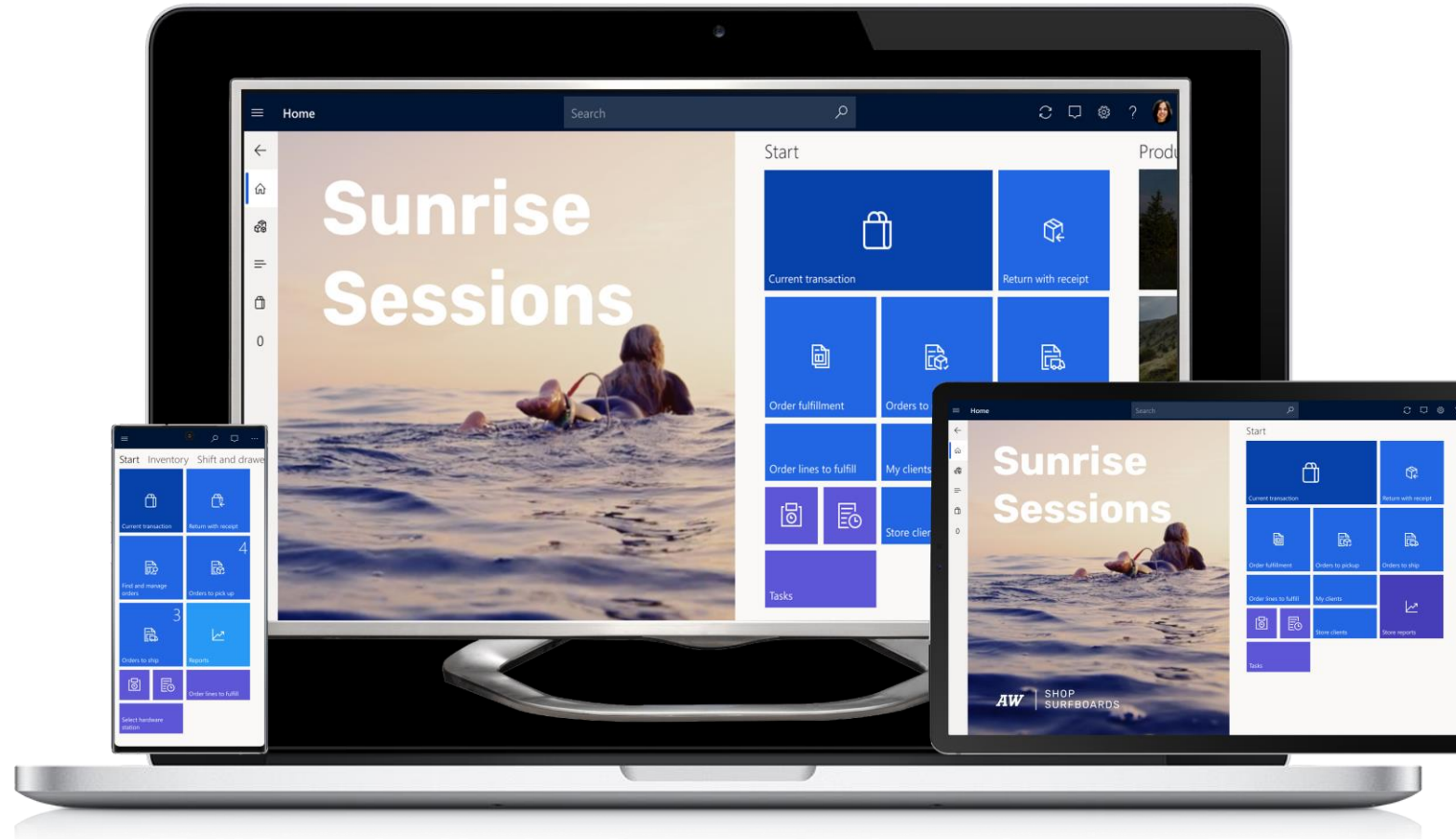
Modern store

Modern point of sale experience

Search, browse, lookup, or scan products, add products to cart, accept payment, and check-out using an intuitive, touch-friendly, rich and immersive user experience.

Multiple store functions
- Cash and carry sales
- Endless Aisle, pickup later, in another store or ship to home
- Store Inventory Management
- Store Cash Management

Sell anywhere
- Multi-tender
- Multi-currency
- Multi-lingual
- Mobile device compatible
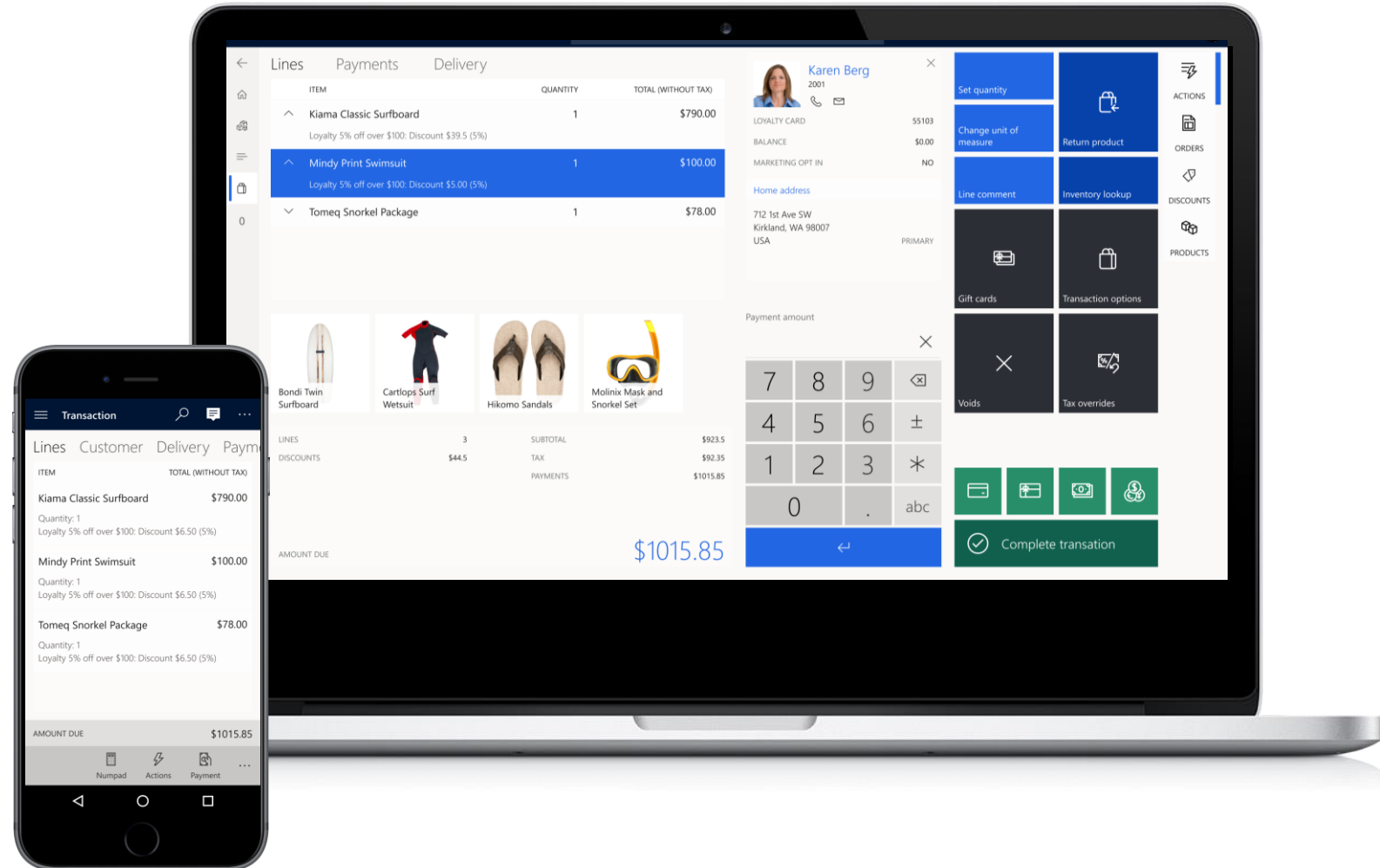
Assisted selling

Browse and compare products

View and compare products side by side on the screen with the customer to help them find their perfect product.

Rich product details

Leverage images and flexible product attributes to give your sales associates and customers access to key product data to help close the sale.

Endless aisle

Never lose a sale due to out-of-stock inventory. View inventory across DC's and other stores and create ship to home or pickup later or elsewhere orders for the customer.

Sales reps and commission

Reward your employees for their closing abilities. Track sales reps on transactions and define commission calculation rules for products.
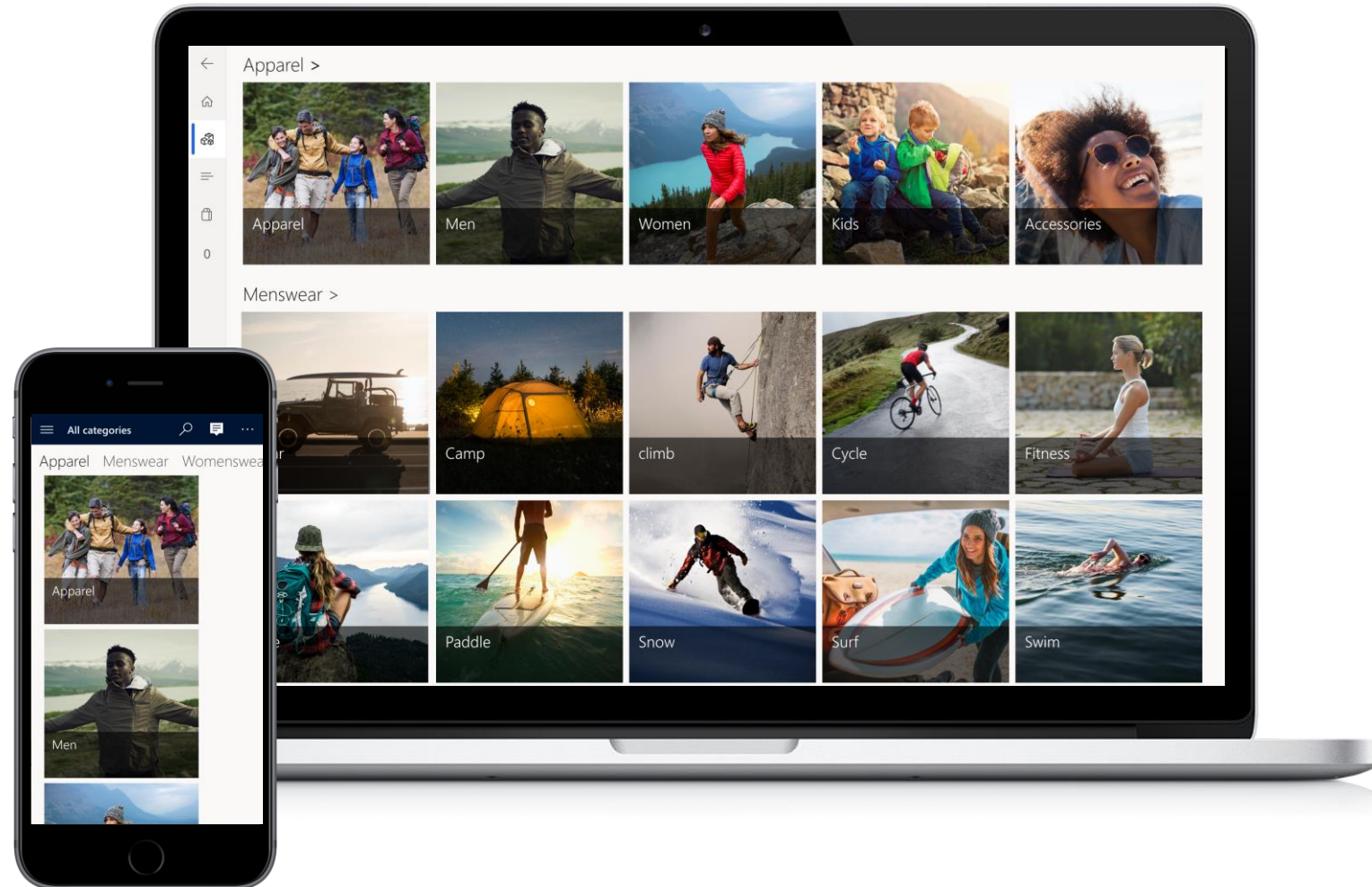
Clienteling

Client books and customer cards
View and manage customer attributes and details and assign account ownership.

Omni-channel customer views
View customer's purchase history across multiple sales channels on a single screen.

Personalized recommendations
Hook up the intelligent recommendations engine and give your sales associates access to personalized upselling and cross-selling data for their customers.

Wishlist
View customer's omni-channel wish list. Leverage this data during the sales process for suggestive selling.

Capture notes and activities
Track the customer's likes, dislikes and interactions to build a stronger profile that can help the associate in future sales engagements.

Intelligent customer insights
Connect to Dynamics 365 Customer Insights to improve the customer data available to your associates.
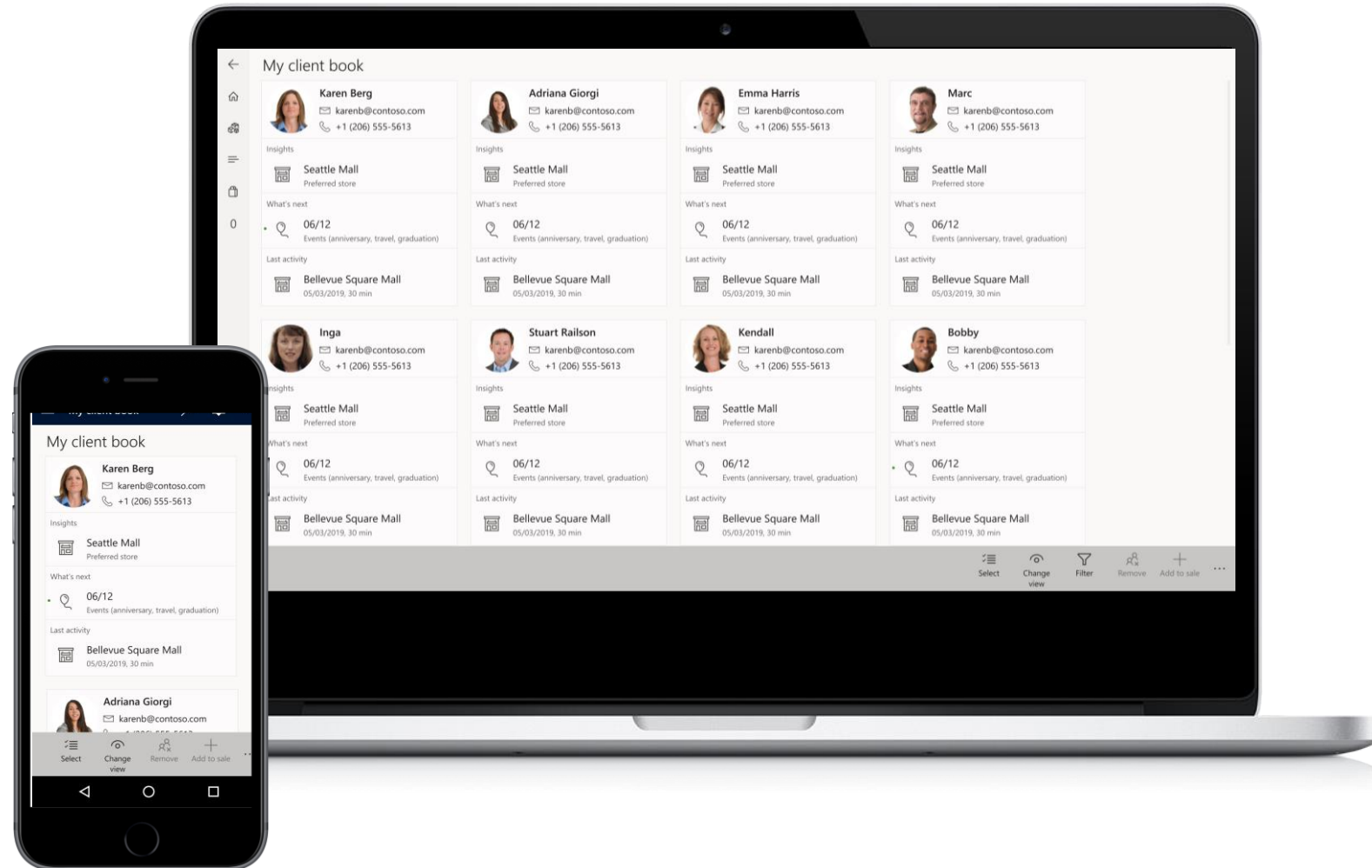
Order processing and fulfillment

Special orders and quotes

Create special orders or quotes for products not available in store and collect deposits up front if needed.

Flexible delivery options

Configure orders created in store to be picked up at the same store, another store, or shipped. Calculate additional fees for shipping services.

Flexible fulfillment & return processing

Fulfill BOPIS/curbside, cross-store, and ship to home orders. Process returns for sales created in any store or online channel.

Manage cross-channel orders

View, edit or cancel sales orders for customers, even if they were originally created in other channels.
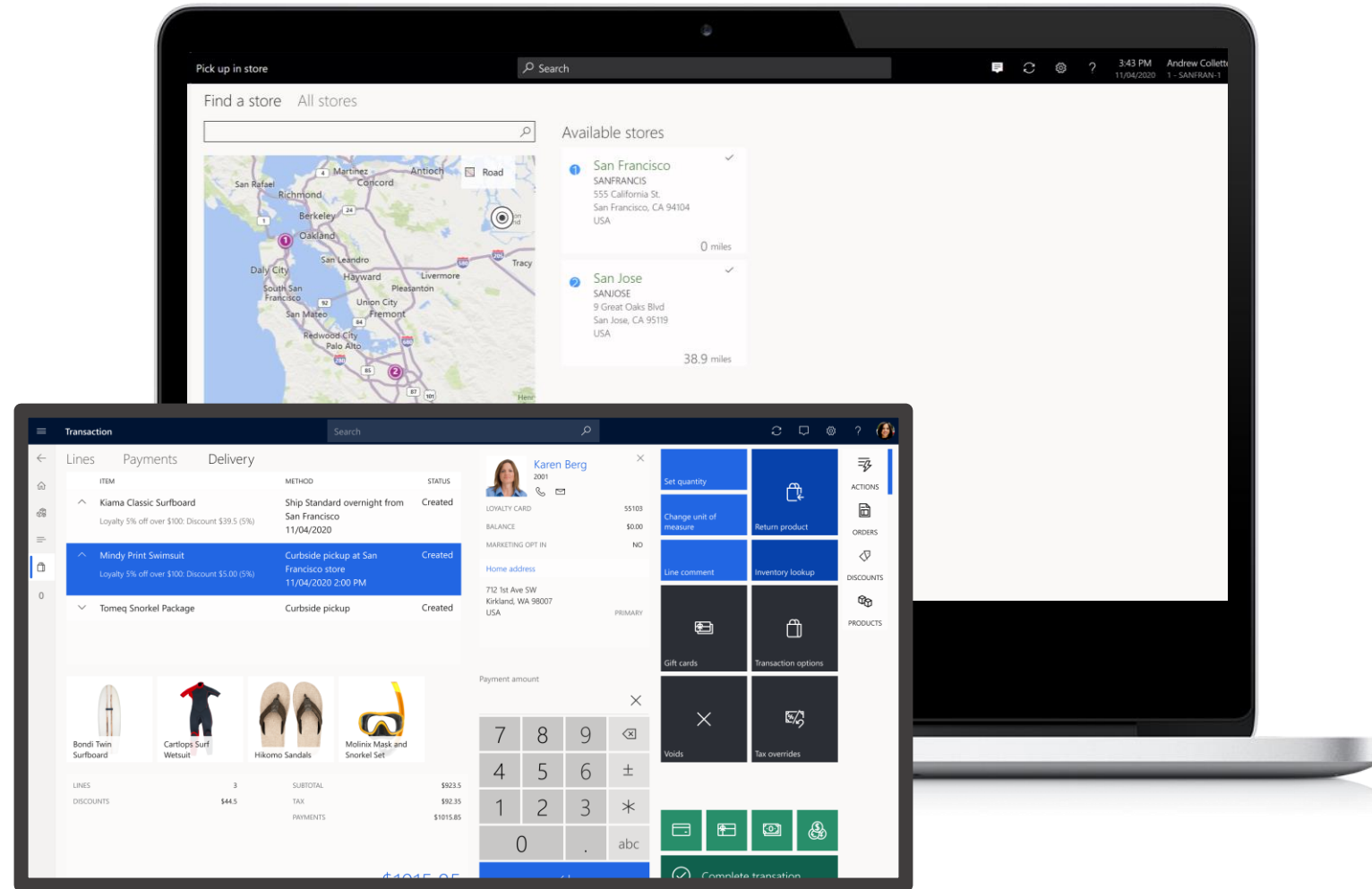
Curbside pickup and contactless shopping

Contactless pick-up

Configure options for customers to pick up items purchased at curbside or other contactless locations such as lockers.

Customer communications

Use configurable email templates to keep customers updated as their order is accepted, fulfilled, and ready for contactless pickup.

Customer arrival alerts

Leverage configurable notification capabilities to allow the customer to alert the store of their arrival and manage the process flow of transferring the goods curbside.

Contactless omni-channel payment

The unified payment engine provided with Adyen ensures that online payment is seamlessly applied to the order at pickup.
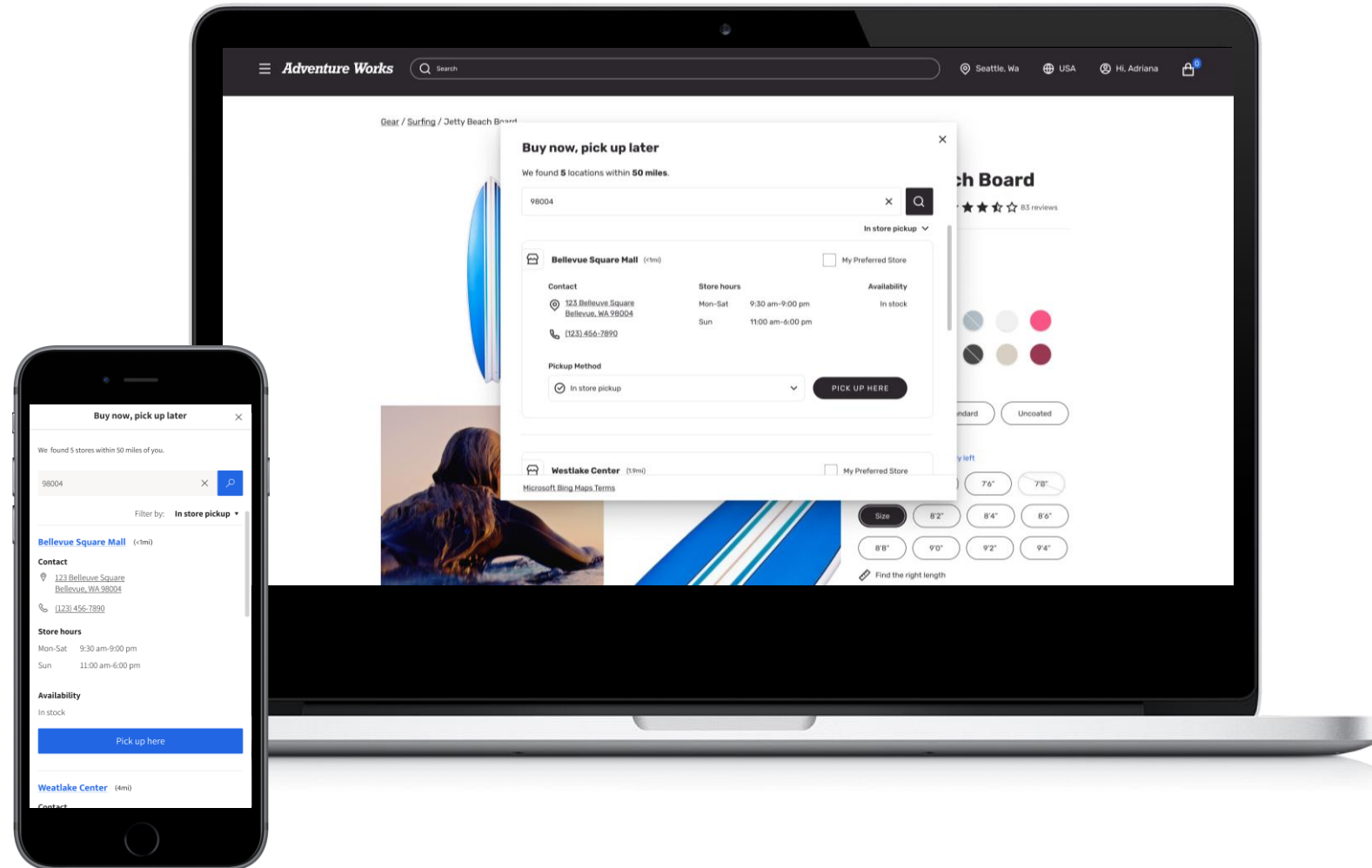
Store inventory

Receive inbound inventory
Process inventory receipts from inbound purchase or transfer orders with barcode scans and real-time validations to ensure the inventory ordered matches the physical receipt.

Create and manage inventory transfers
Take care of inventory overages or shortages in store by shipping excess stock back to DC's or other store locations or requesting new inventory shipments to your store.

Stock counts
Keep inventory accurate by performing scheduled stock counts through the application or execute an ad-hoc stock count anytime and keep your restock supply chain flowing smoothly.

In-store and cross-store inventory availability
Check in-store stock availability for selected items. Get near real time visibility to stock available in other stores or distribution centers.

Ad-hoc inventory adjustments
Keep store inventory accurate by performing ad-hoc adjustments when needed to account for known breakage, samples, and other inventory losses.
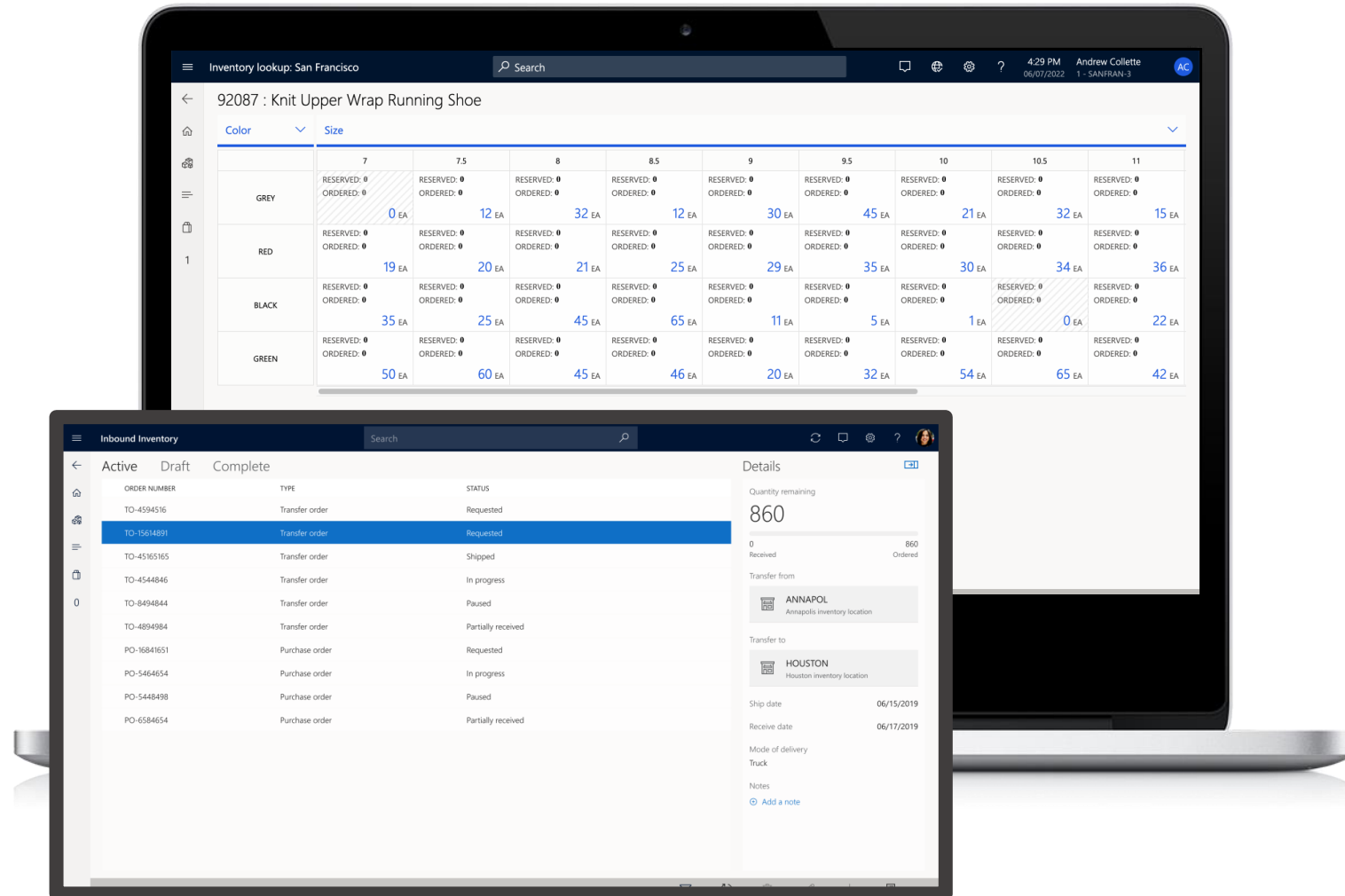
Shift and cash management

Shift management

Open and close shifts to track the sales and financial transaction created by that worker. Allow shared shifts to allow multiple workers to share a cash drawer.

Cash management

Track opening amounts, float entries, skims/cash removals and closing amounts by shift.

End of day

Use X/Z reports to manage and validate cash counts and enter cash discrepancies and deposit data. Data is centralized in commerce headquarters allowing corporate visibility and auditing.
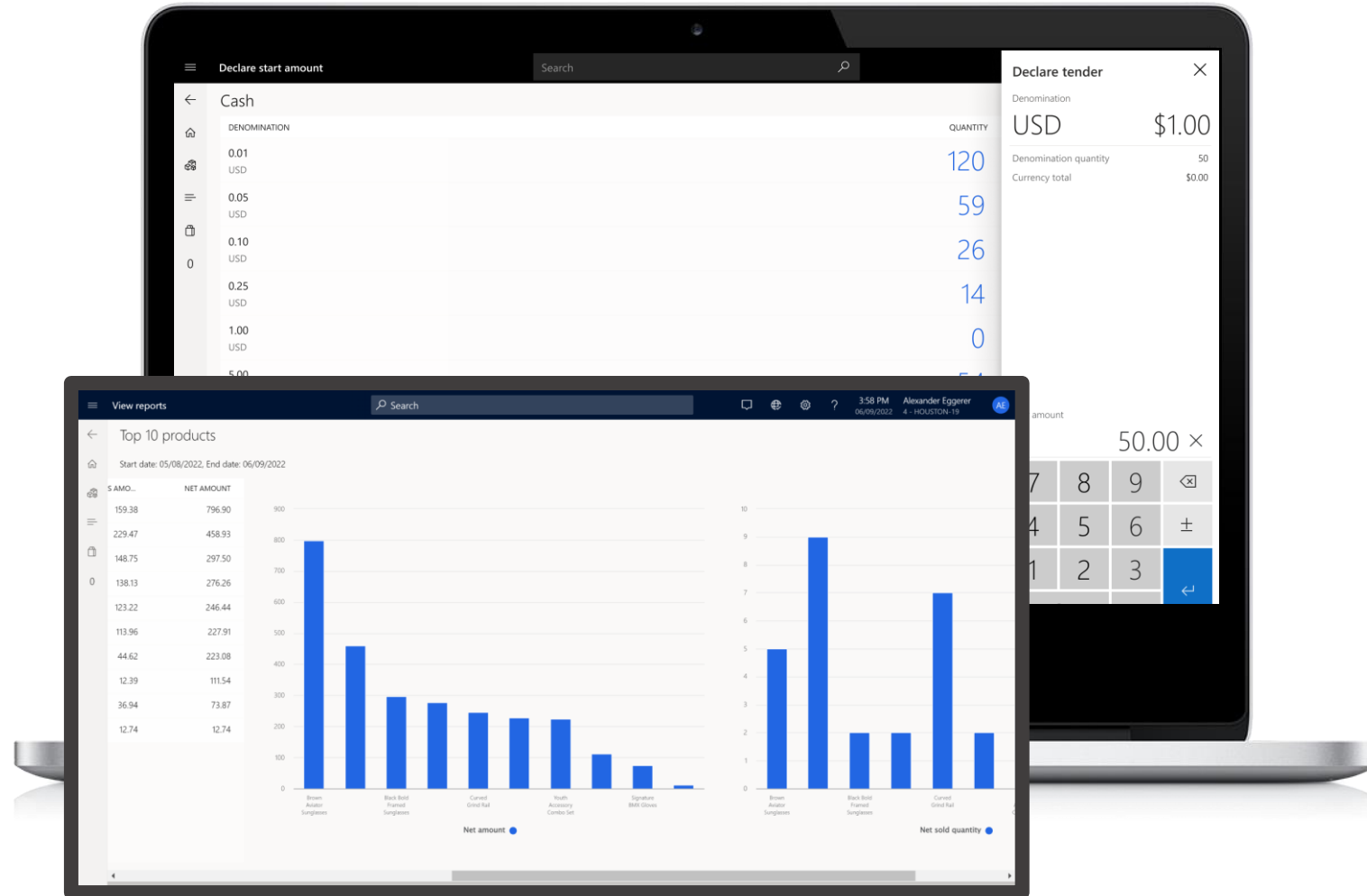
Task management

Task creation and tracking

From commerce headquarters or in store, create a set of tasks tied to a particular process or individual ad-hoc tasks and assign to stores or workers for execution. Managers can view all-up store tasks and track progress.

Alert store workers

Using the store commerce notification framework, alert store employees when tasks are assigned and enable them view and manage task lists through the application.

Microsoft Teams integration

Integration with Teams Planner allows tasks created in Teams to be visible and managed in store commerce.
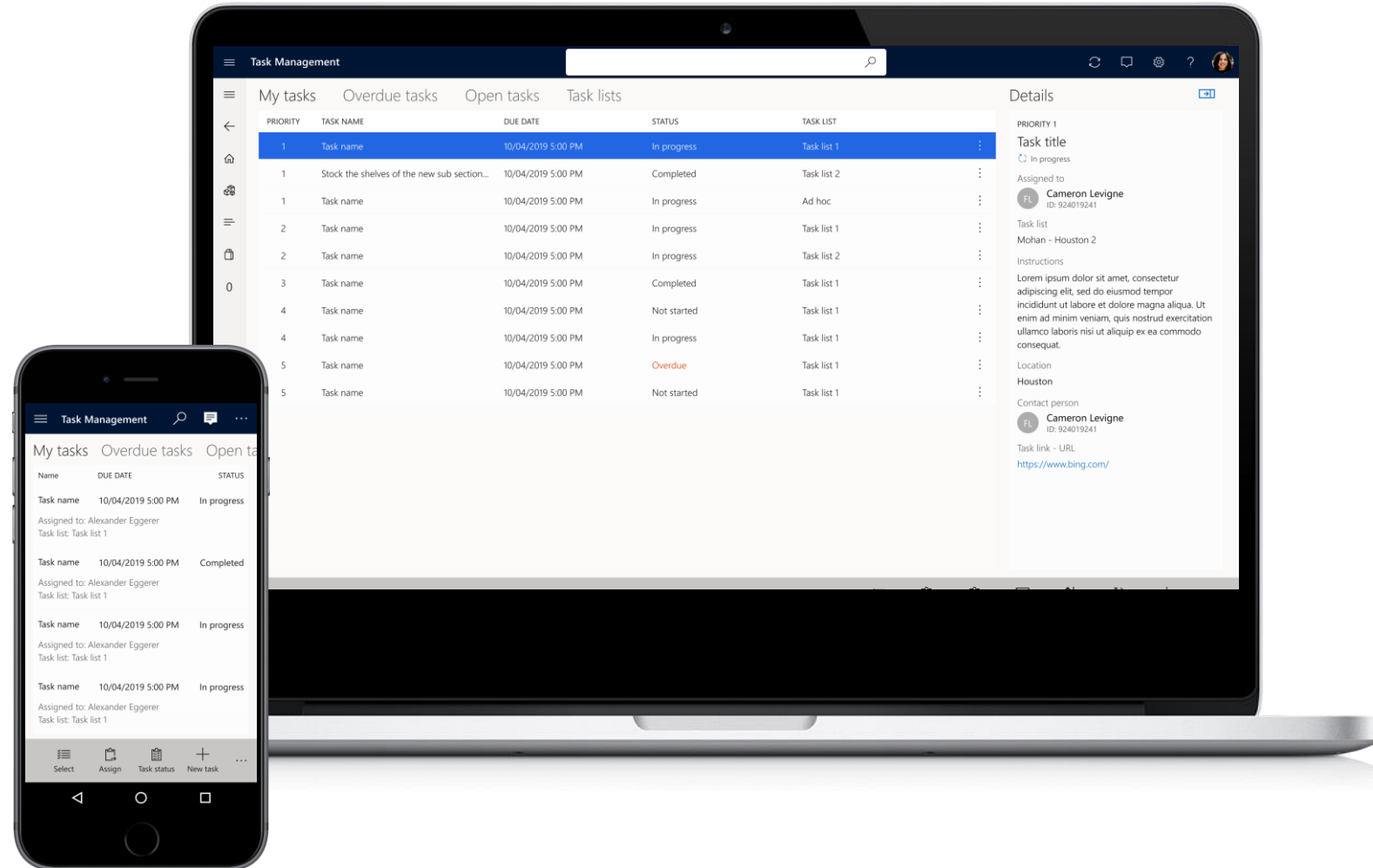
Offline support

Seamless offline support with Windows OS

Automatically transact using local databases when network issues are detected.

Intelligent offline switching

Train system to recognize performance degradations which will trigger a switch to offline mode.

System logs

An in-app dashboard shows the latest offline status, error, and details of the database for the device.
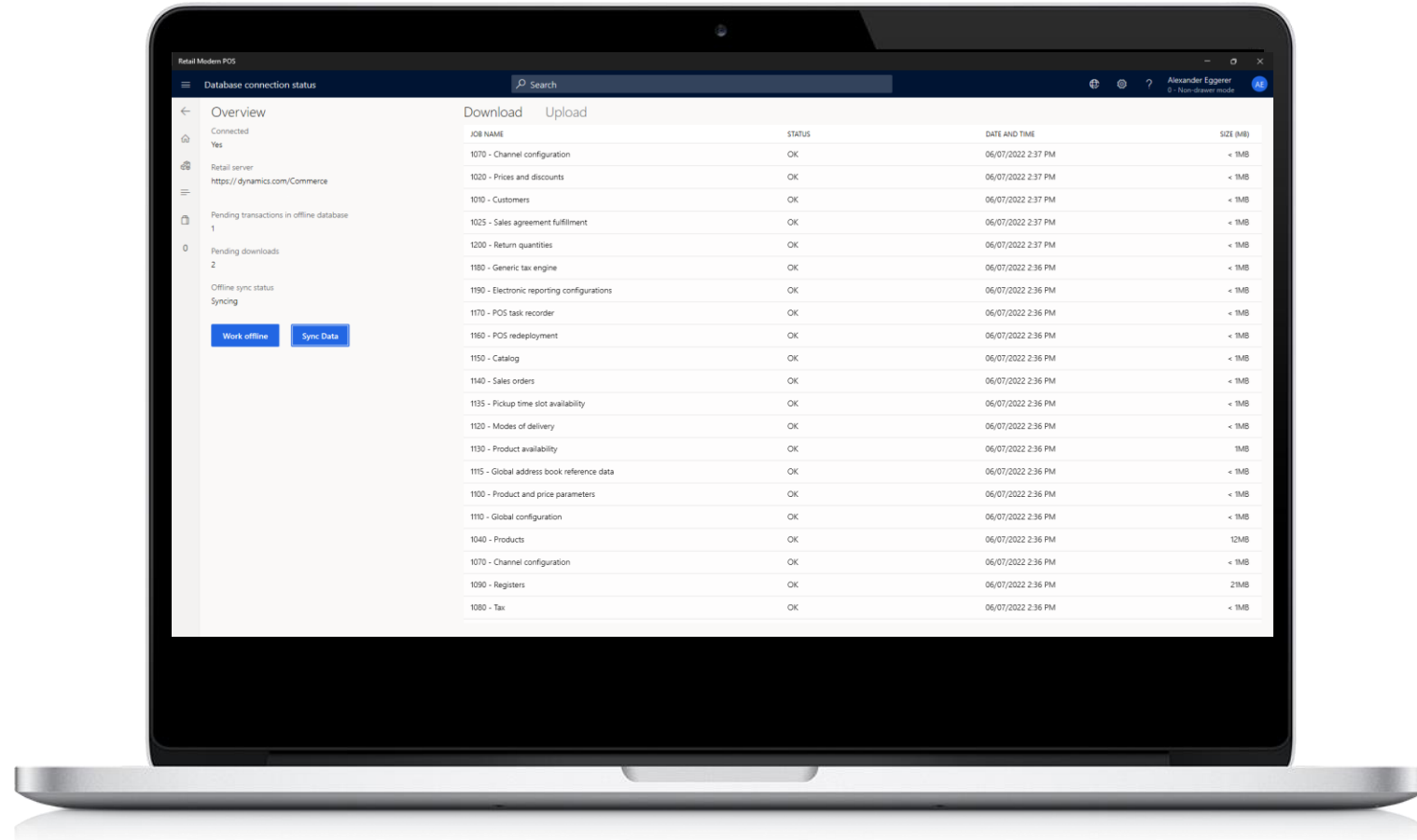
Hardware integration

Support for OPOS devices

With native hardware integration for Windows and Android devices, the application supports devices and peripherals such as printers, cash drawers, line displays, scale, pin pad, barcode scanners and payment terminals.

Dedicated or shared options

Store commerce supports both dedicated and shared hardware station options to support cloud and mobile scenarios.

Health check

The health check feature in the application helps retailers monitor and troubleshoot peripheral health.

Design and Layout Customization

Customizable user experiences

Organizations can add and organize any of hundreds of POS operations to the POS welcome screen and transaction form to create business-specific, branded experiences. Layouts can be customized by role and device form factor.

Resolutions and screen orientation

Store Commerce supports infinite screen resolution customizability so that in can be run on full screen, tablet and mobile form factors, both in landscape and portrait mode.
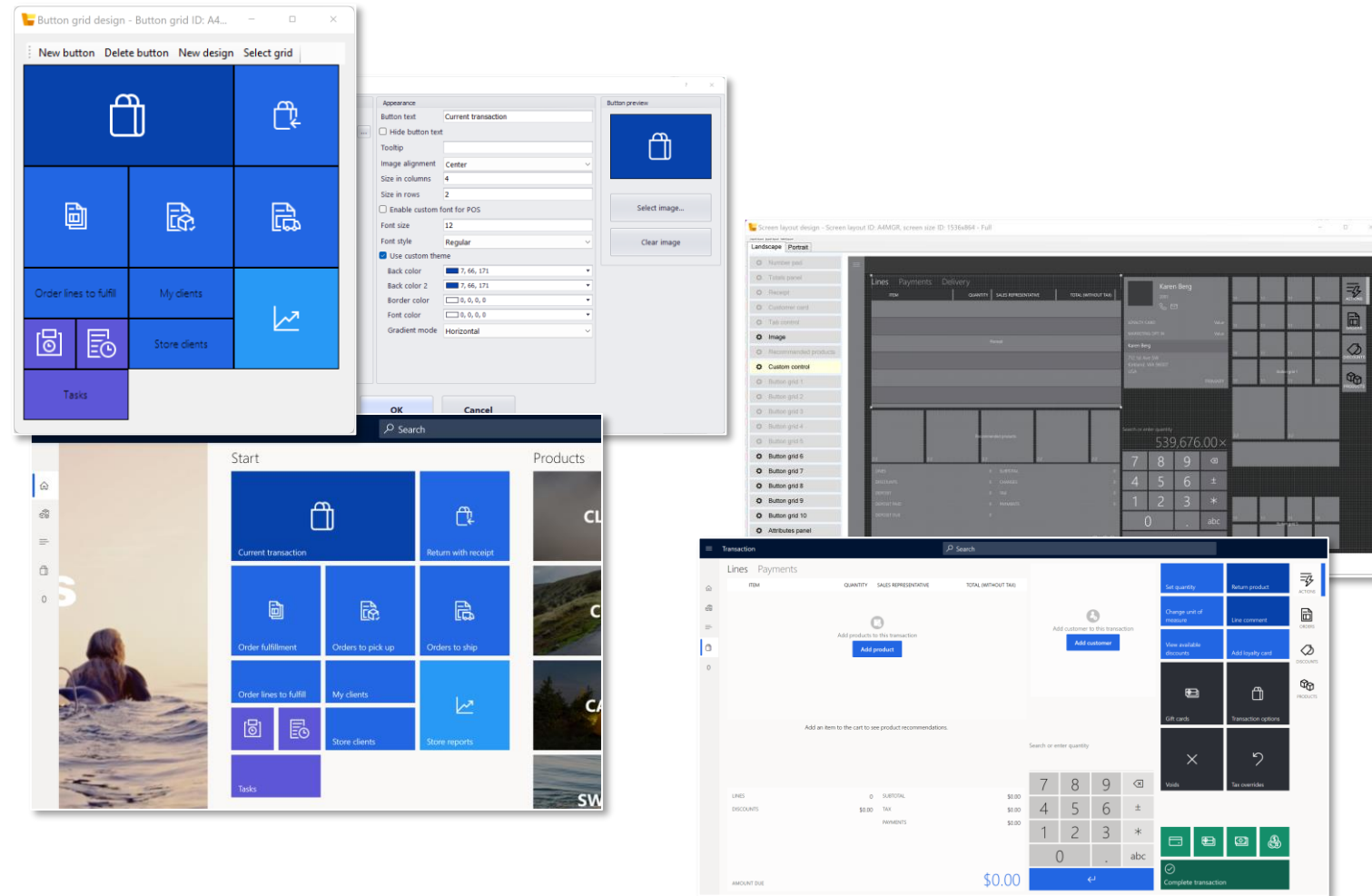
Extensibility

Extend the POS user interface
Add custom columns, app bar buttons, and custom controls to each view.

Override POS business logic
By overriding the POS request handlers, extend POS business logic to add custom logic.

Add pre-triggers and post-triggers
Add custom logic before or after any POS operation.

Consume APIs
POS exposes APIs and user experience (UX) controls that can be consumed in extension scenarios.

Add custom UX and APIs
Extend POS to add custom views and APIs that support new functionality and features.

Add custom operations
Add custom operations to perform custom functionality.
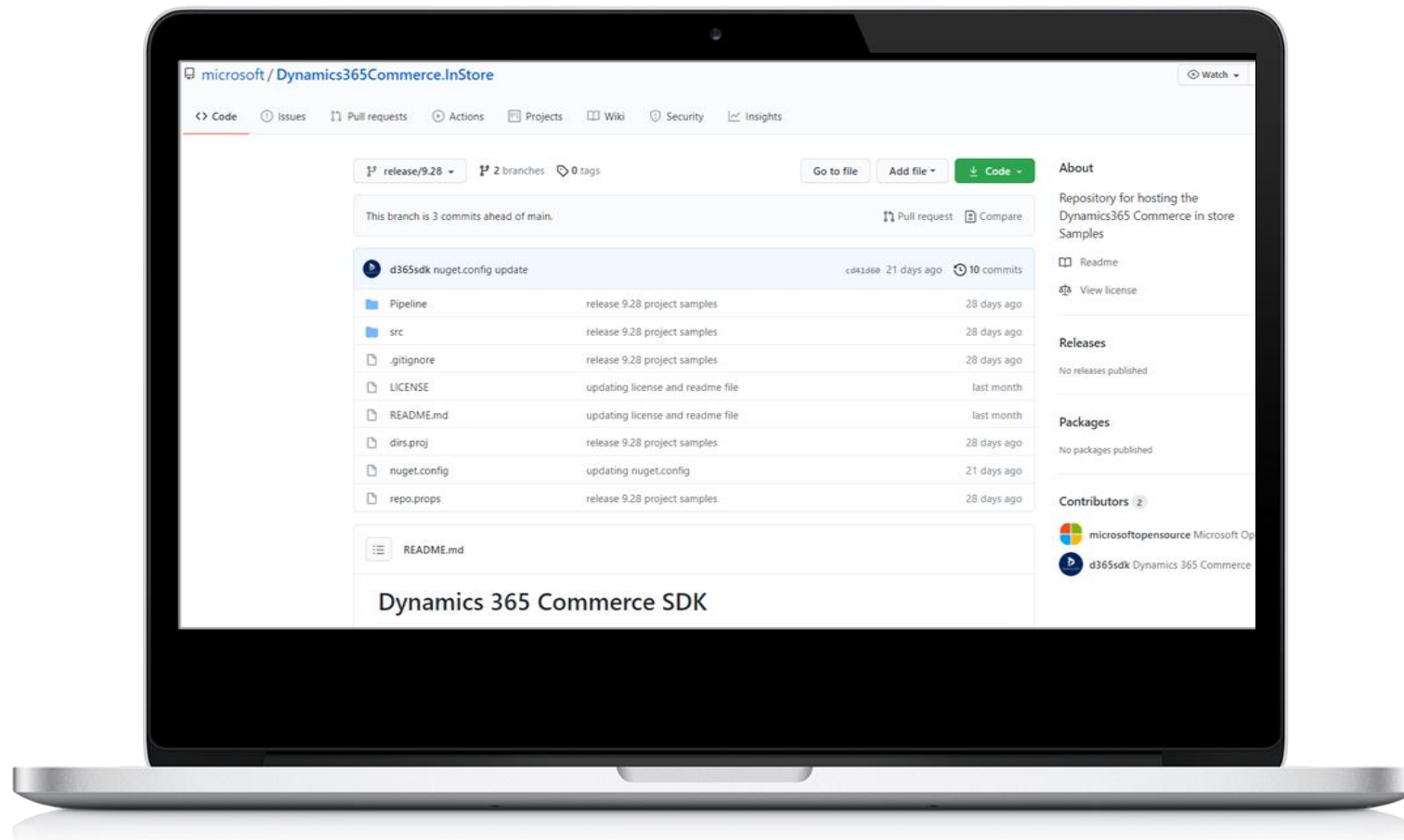
Integrated firstline worker task management

Employee task management

Create checklists with tasks at the store level or corporate. Assign tasks to stores and employees.

Synchronize with Teams

Organization hierarchy, channels/stores, and worker data are synchronized from Commerce to Teams to create store specific communications channels in Teams.

Manage tasks in Store Commerce or Teams

View and manage tasks seamlessly across Dynamics 365 Commerce and Teams. Be notified of assigned tasks in Store Commerce or through Teams notifications.
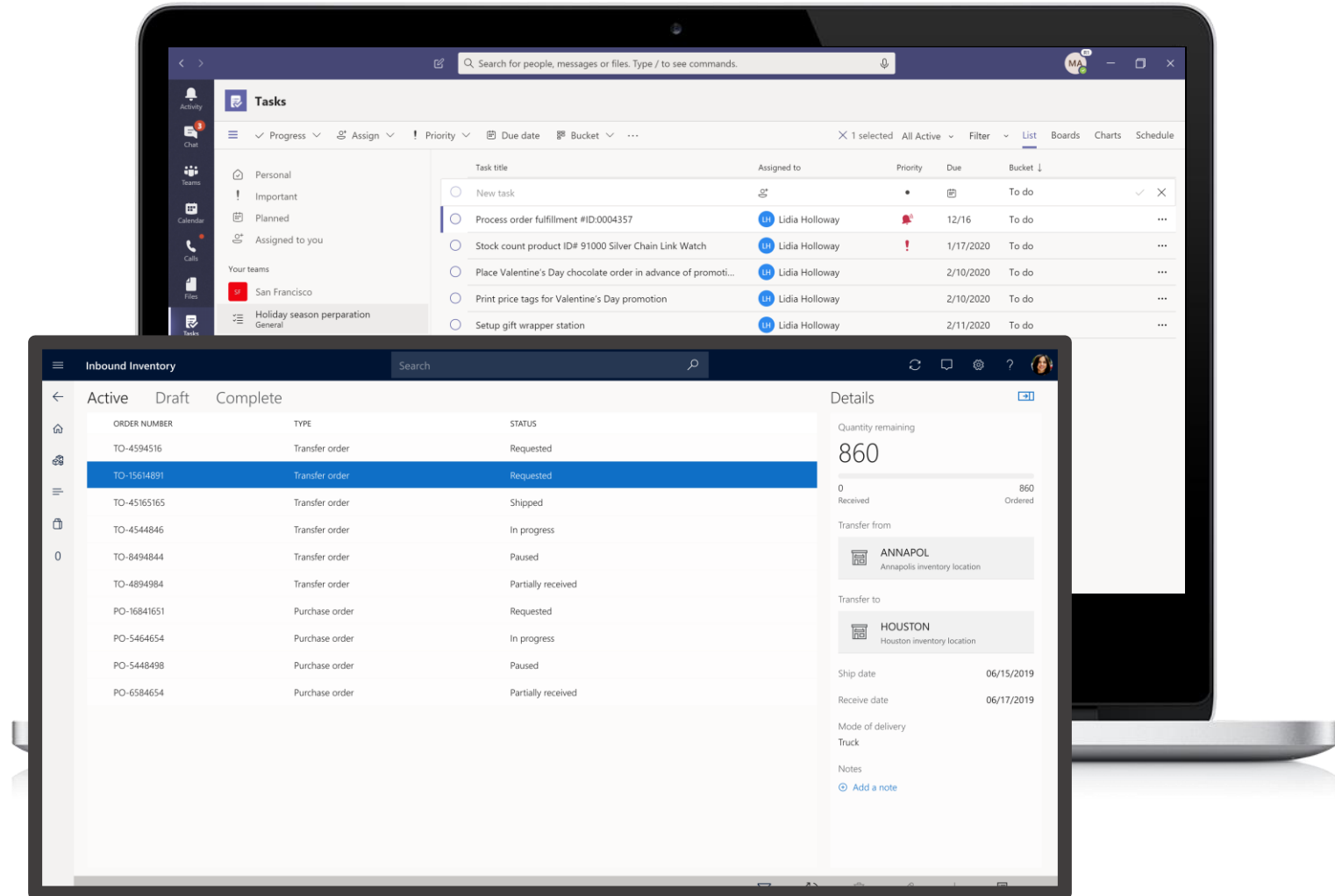
Dynamics Fraud Protection payment integration

Purchase protection

OOB integration with Dynamics 365 e-commerce and Dynamics 365 Fraud Protection provides risk assessment for orders based on merchant defined rules, AI insights, and consortium-based fraud analytics.

Intelligent fraud detection

Authorized online order checkout payments are sent to Fraud Protection, allowing the advanced AI to be trained to better predict future authorization results, thereby boosting the quality of future Fraud Protection assessments.
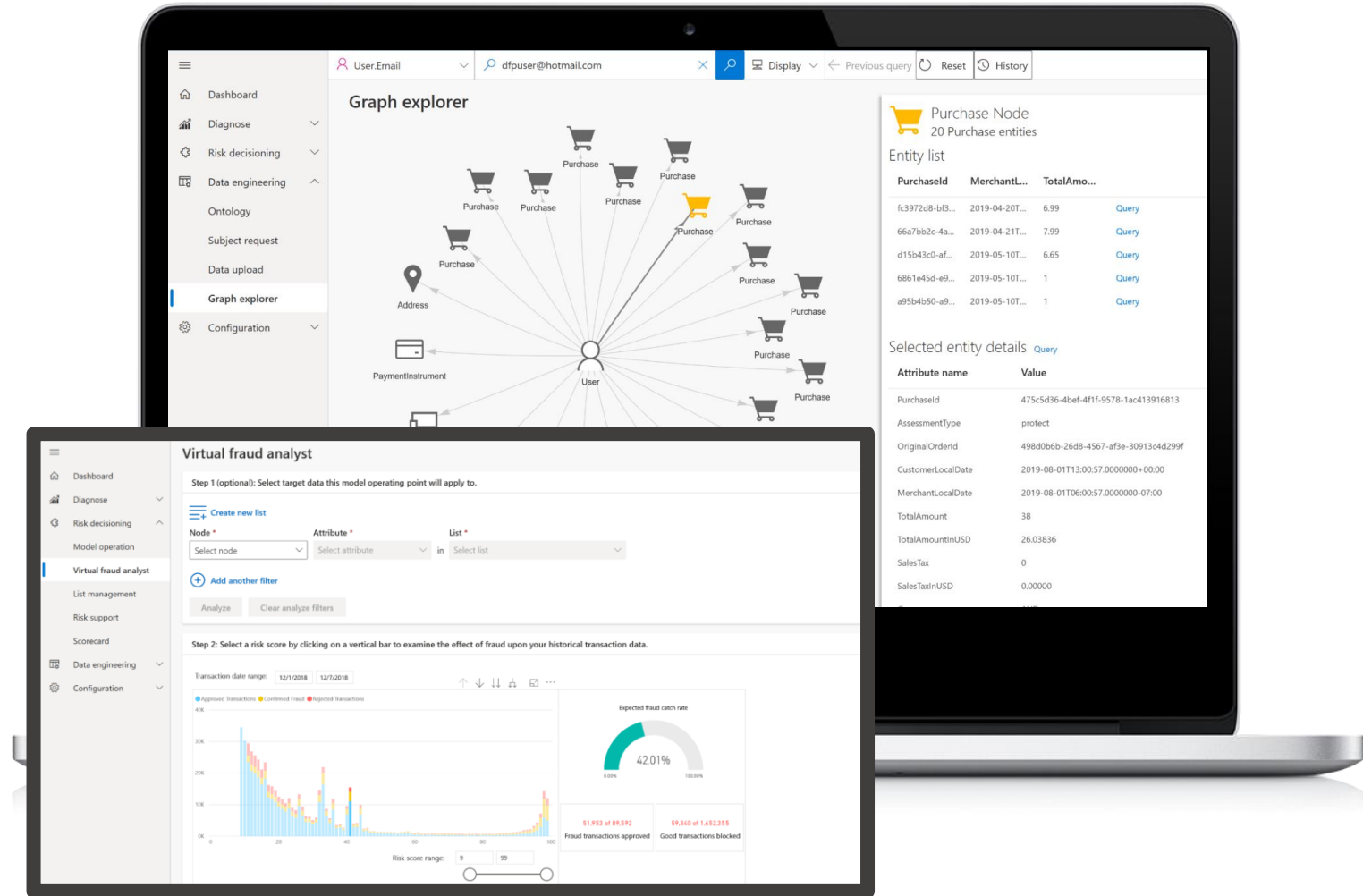
Dynamics Fraud Protection loss prevention integration

Integrate store data

Integration of Commerce and Fraud enables sharing of store-level activity related to returns and discounts to DFP via ADLS.

Analyze and report

Identify loss prevention patterns in physical stores and view reports related to anomalous activity via the loss prevention dashboard.
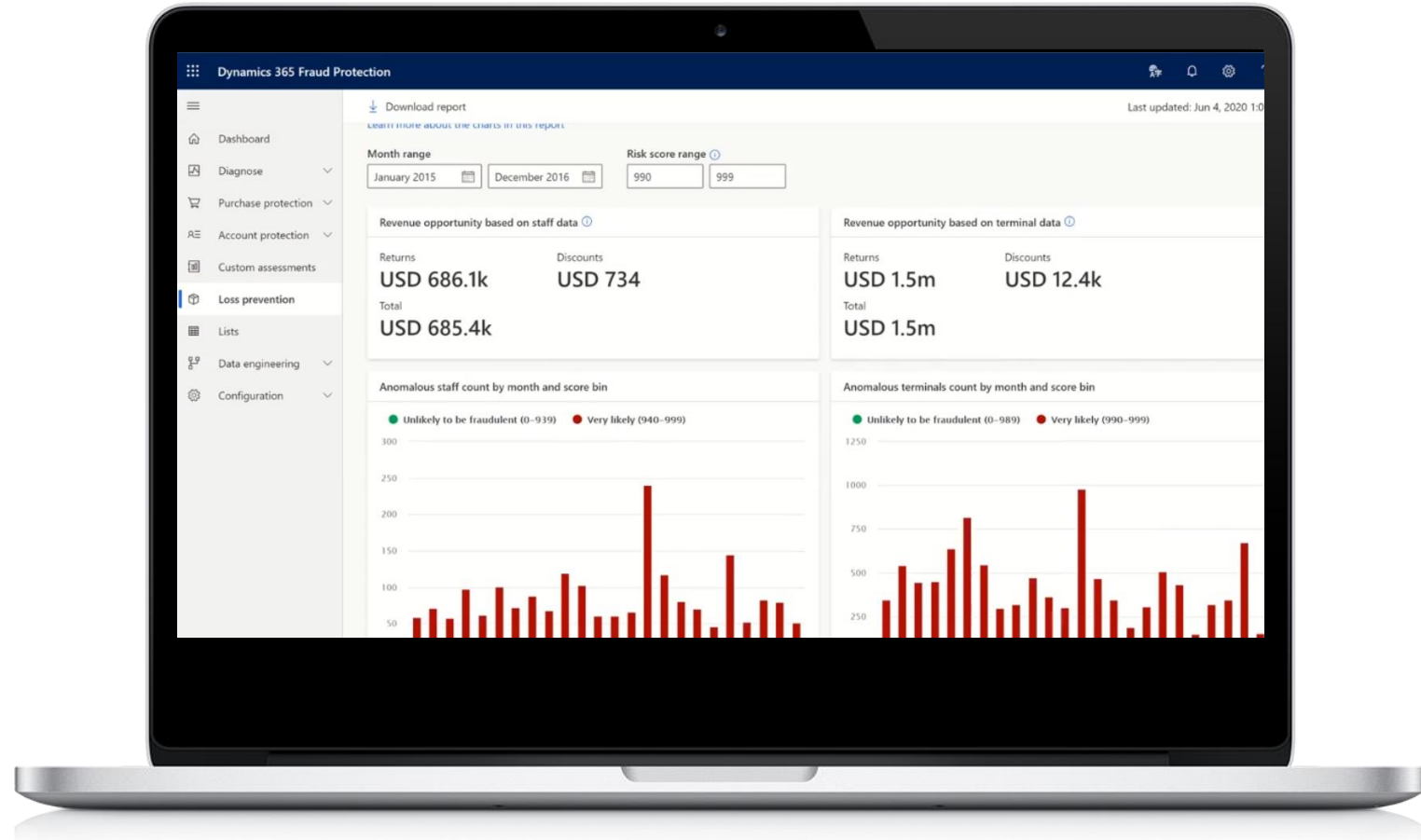
Dynamics Customer Service and Virtual Agent

Connect and engage with online customers

Integrate e-Commerce channel with Dynamics 365 Omnichannel for Customer Service or Power Virtual Agents to help online customers on their browsing, buying and support needs, thus increase cart conversion and customer satisfaction.

Proactive initiation of conversation

Engage with online shoppers proactively based on number of items in the cart, product that could have more questions on usage, or based on traffic volumes etc., to provide a delightful experience for online shoppers.

Improve operations efficiency

Commerce's customer service features are embedded within Omni Channel Customer Service Agents' experience to be productive and efficient in helping shoppers via chat, call, etc.
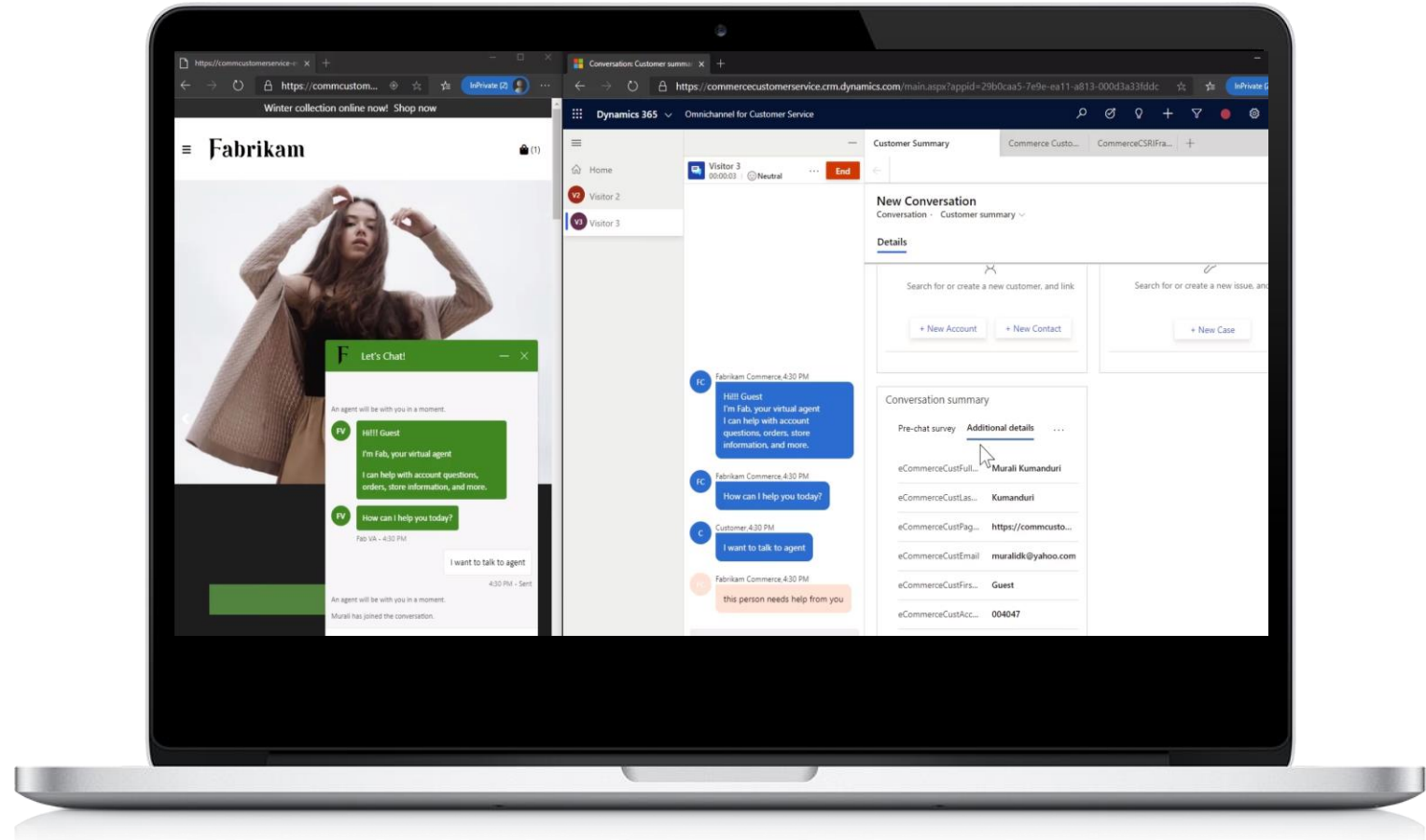
Business buyer management with Dynamics 365 Sales

Seamless integration
Dynamically capture sales prospects from the D365 Commerce B2B website and surface them as Leads in Dynamics 365 Sales.

Simplified management
Review, filter, search for and manage sales prospects directly in the intuitive Dynamics 365 Sales interface.

Easy approval workflow
Easily convert a Commerce sales lead/opportunity into an approved business partner account through Dynamics 365 Sales.
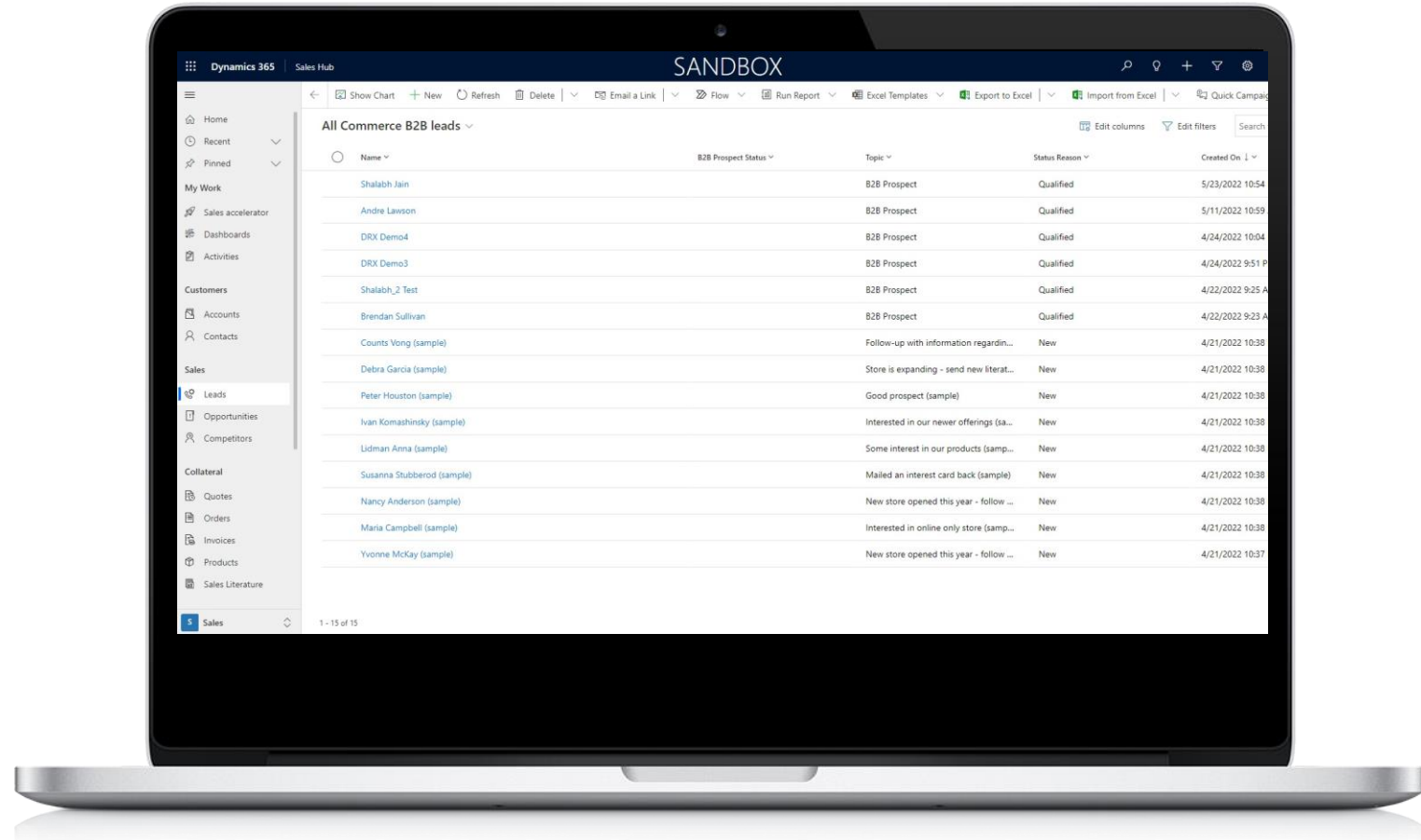
Commerce HQ key capabilities

Merchandising
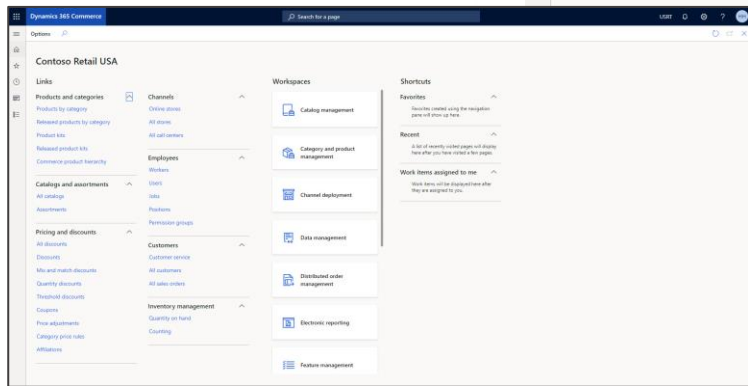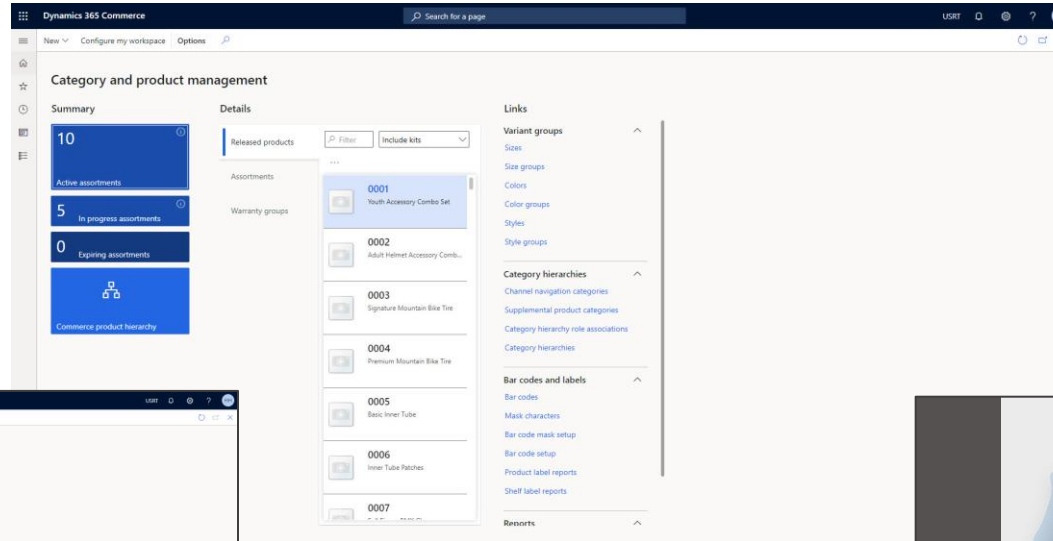
Centralized Headquarters

Distributed Order Management

Headquarters
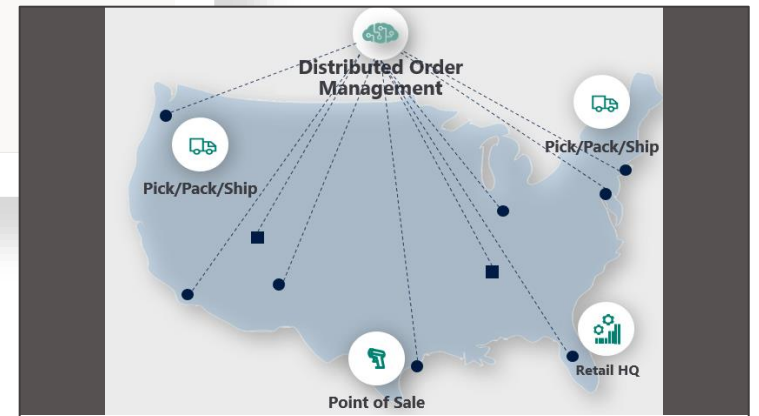
Overview

Create and manage core business data
- Channel deployment and management
- Employee management
- Merchandising
- Pricing, discounts, and promotions

Manage and analyze your inventory and orders
- Centralized inventory management
- Centralized order management
- Call center
- BI and reporting
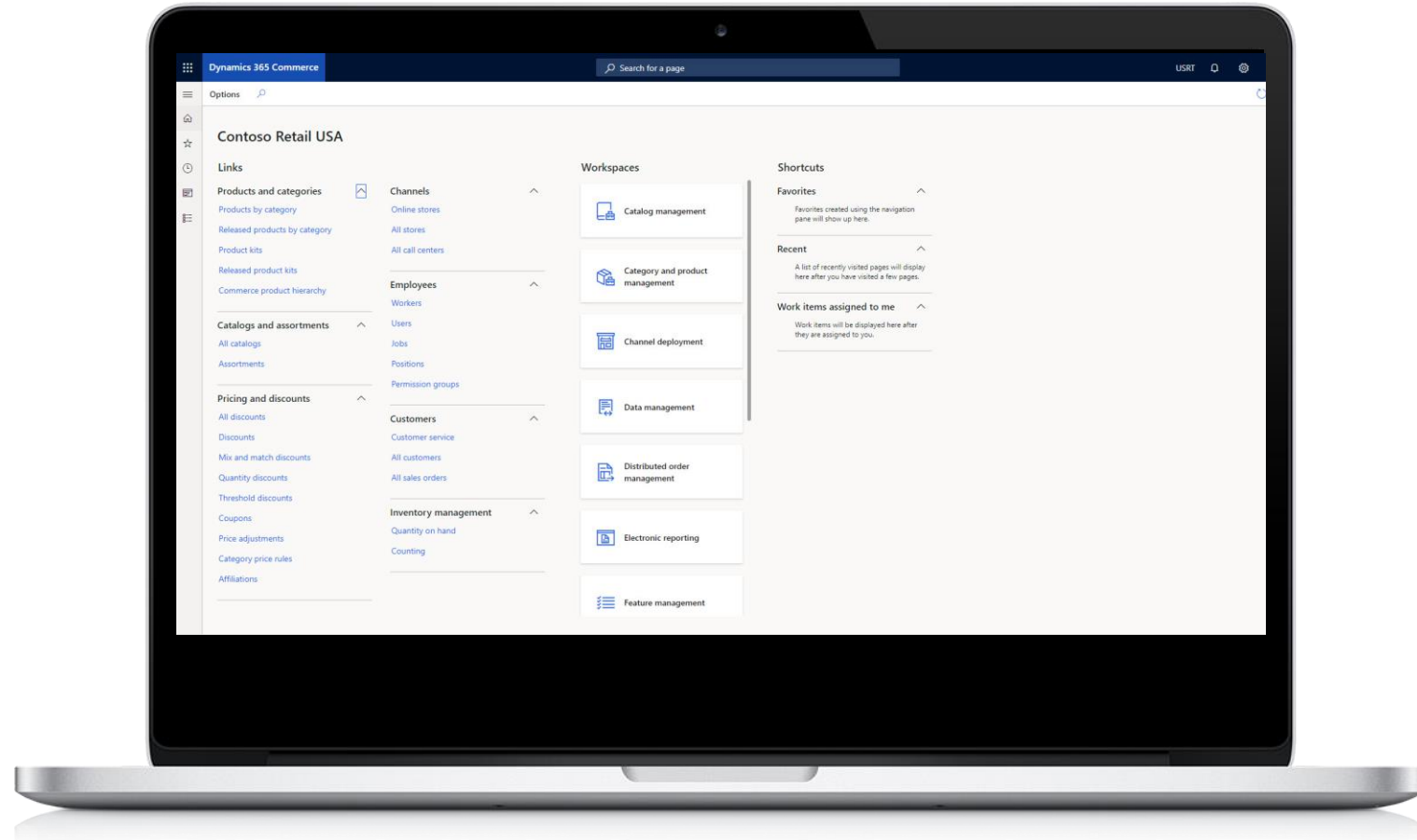
Headquarters

Channel management

Manage all your selling channels
Centralized omni-channel management for brick and mortar, e-commerce, and call center.

Configure channel selling rules
Channel specific tax, price groups, charges and payment method setup.

Centralized maintenance of register configurations
Visual, functional, and POS hardware profiles.
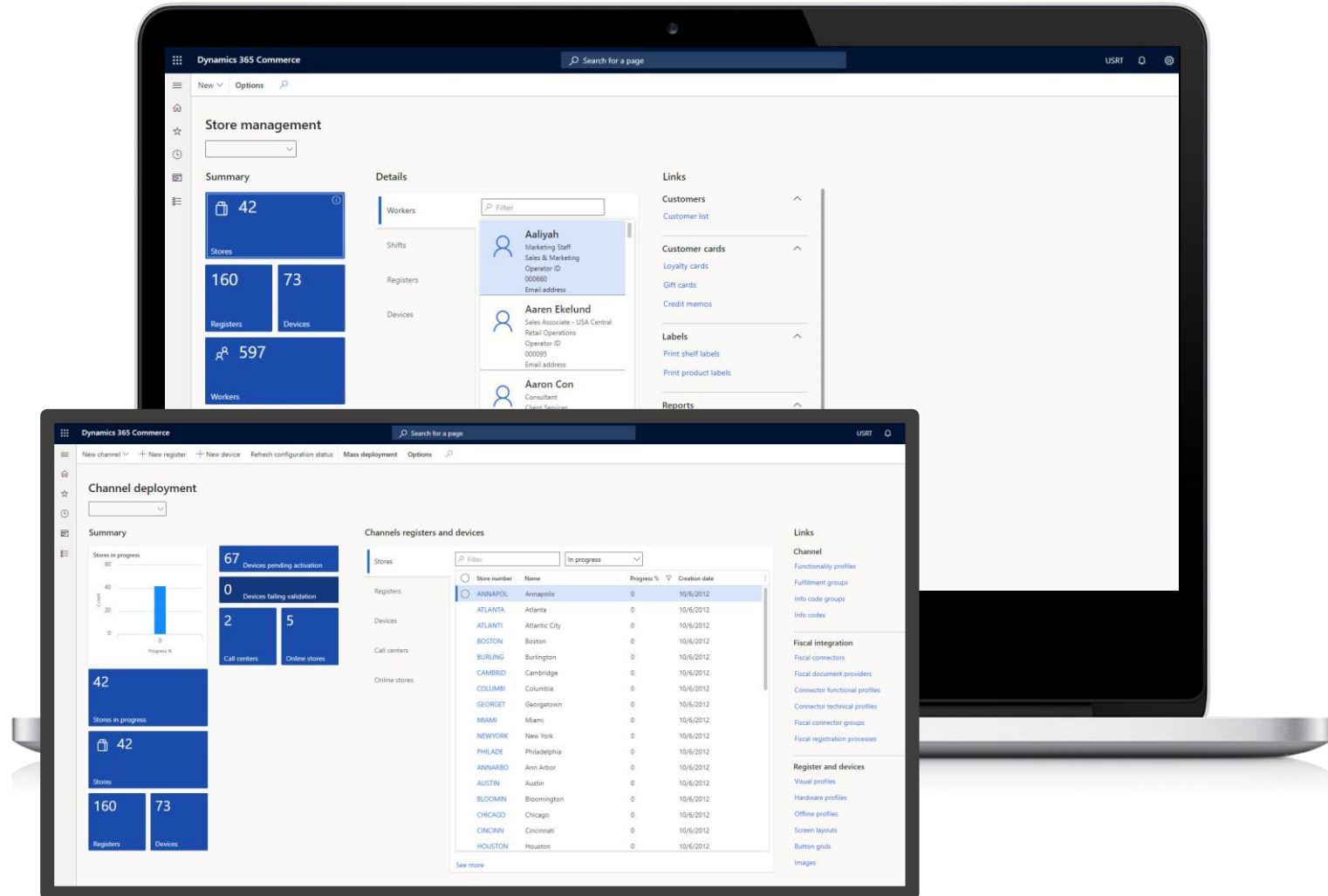
Headquarters

Employee management

Human resource management
Create jobs, positions, and assign workers, etc. Integrated with the Dynamics 365 Human Resources application.

Store worker management
Assign workers to one or more stores and configure their user level permissions.

Flexible user interfaces
Supports user-based language settings and user-based screen layouts for your employees.
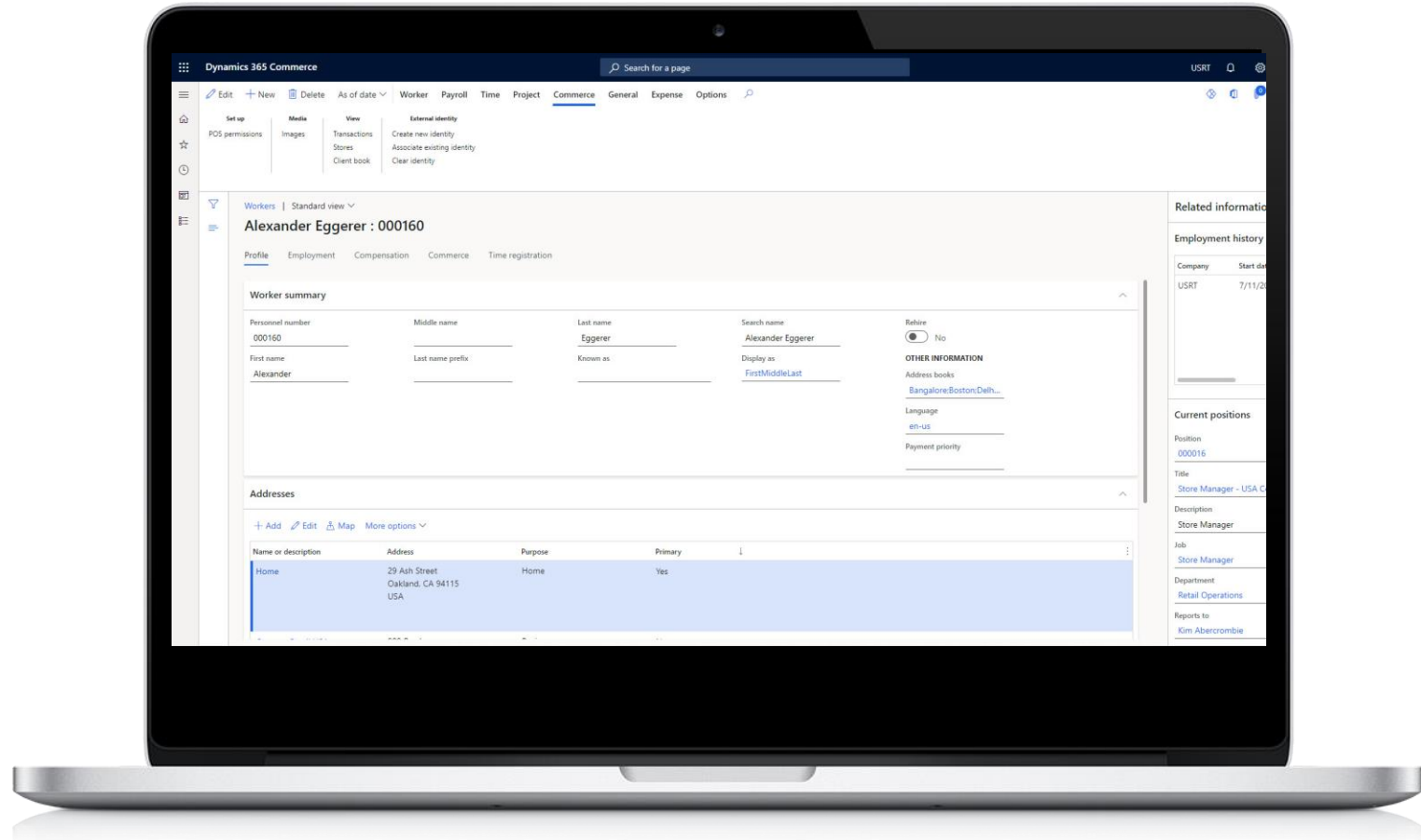
Headquarters

Merchandising

Define and manage product categories

Group products into logical categories for use in procurement, internal reporting, channel navigation or promotional activities.

Product information management

Create products and products with variants, kits, service items, serialized items and more. Store and manage an unlimited set of product attribute data at the individual SKU or category level.

Create product assortments and catalogs

Define which products can be sold in which channels. Link products with direct-to-consumer catalog templates or customer specific priced catalogs.
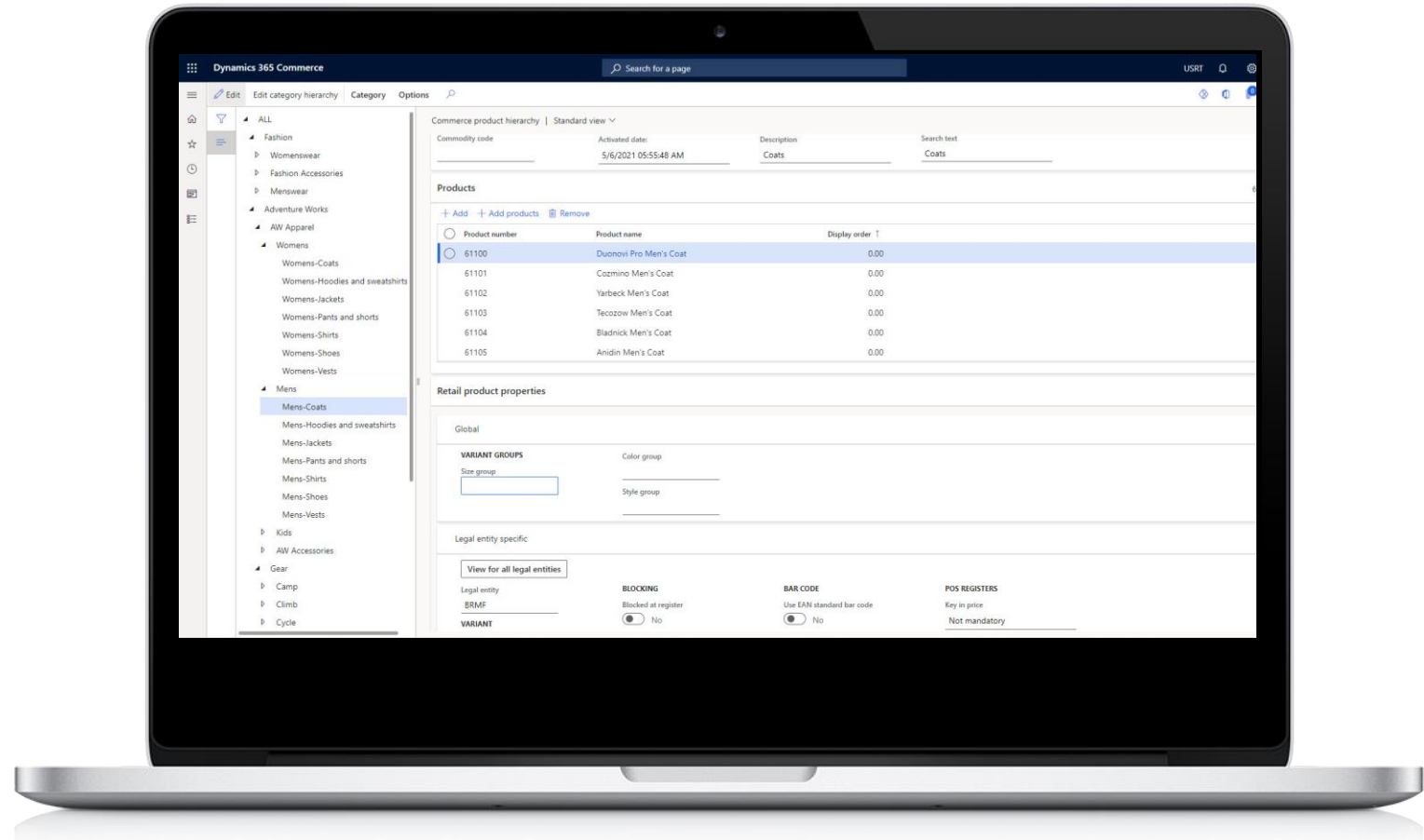
Headquarters

Pricing, discounts, and promotions

Channel and customer specific pricing
Use flexible price groups and affiliations to configure specific prices by sales channel, sales channel groups, customer groups or individual customer pricing.

Trade and sales agreements
Use trade agreements to drive core pricing rules and set date effectivity. Leverage B2B sales agreements to manage your negotiated pricing with your business accounts.

Promotions and discounts
Create flexible promotions based on percentage off or dollar off and quantity or dollar thresholds. Configure complex mix and match or limited time/happy hour-based promotions.

Pricing simulations and mass updates
Check pricing configurations through simulations before they are published to the channels. Perform mass markups or mark downs at a category level.
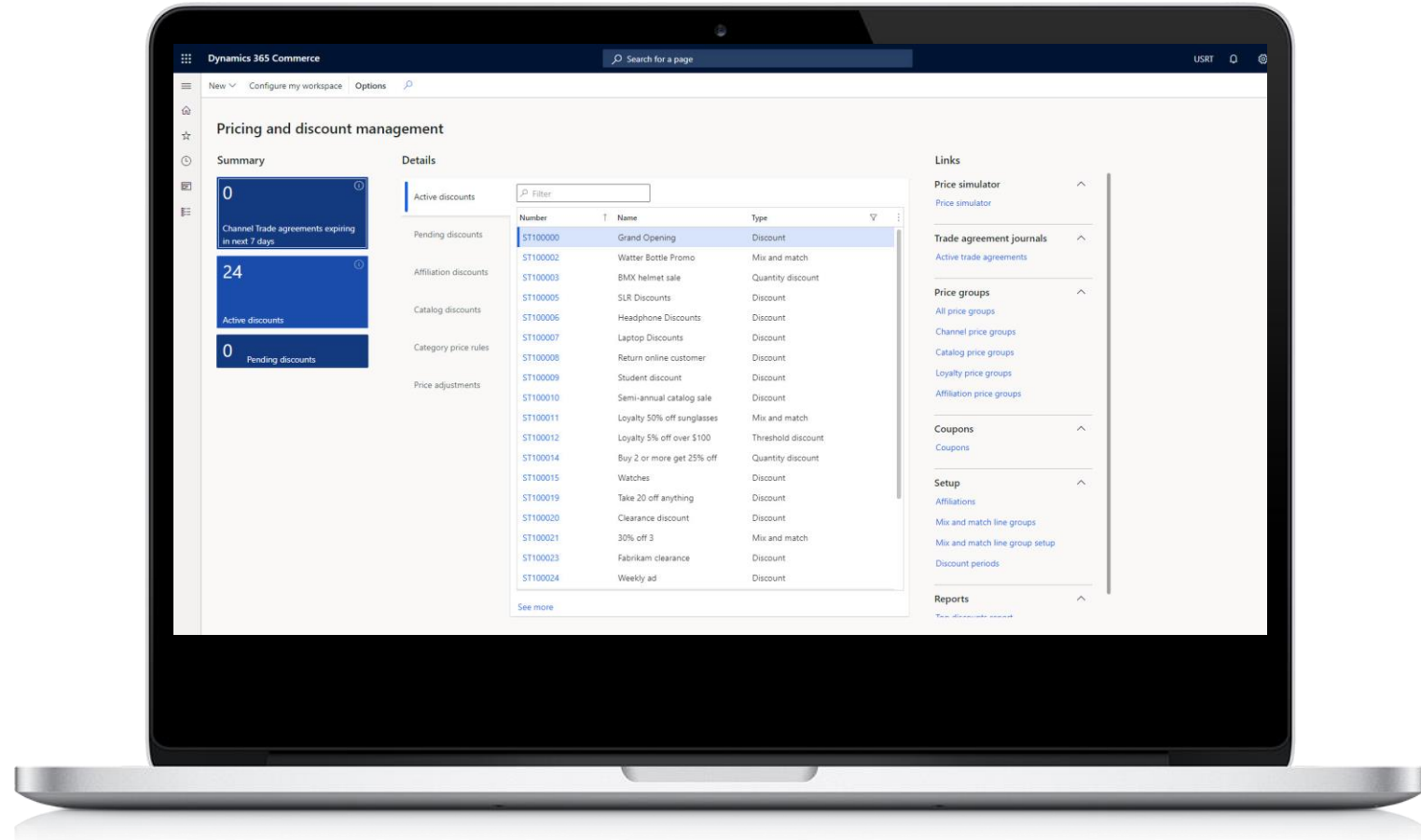
Headquarters

Centralized inventory management

Procure and transfer

Create and manage vendor purchase orders, intercompany purchase orders and inventory transfer orders.

Replenish

Utilize replenishment rules and cross-docking and buyers push capabilities to balance stock levels across your stores and distribution centers.

Stock counting and adjustments

Perform planned stock counts based on inventory rules or created ad-hoc stock counts and adjustments to keep system inventory levels aligned to actuals.

Allocate and reserve

Hard and soft allocation options as well as the ability to create inventory buffer rules to prevent over-selling in low stock scenarios.
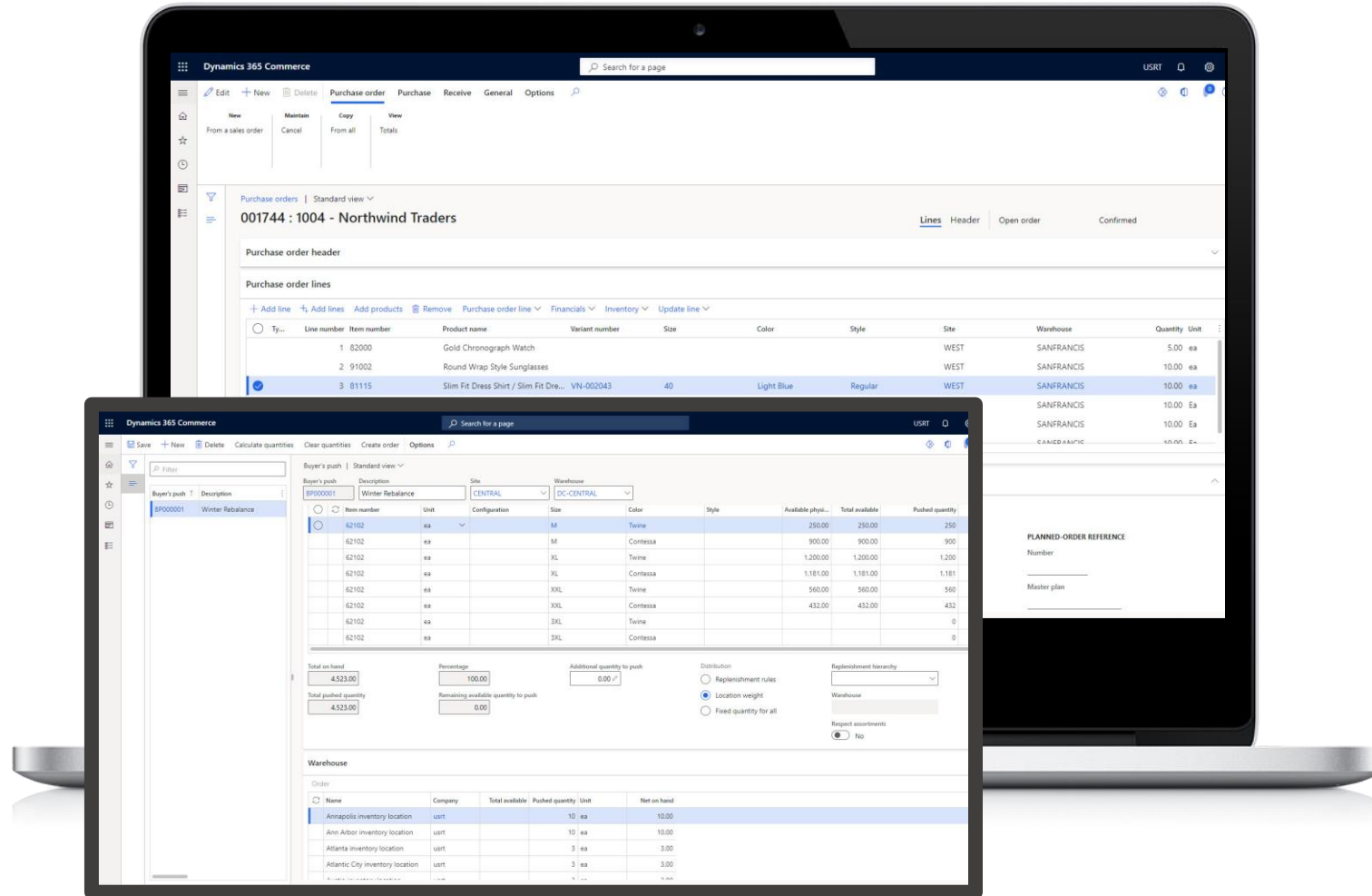
Distributed order management (DOM)

Intelligently broker orders across fulfillment locations

Centralized order management can analyze and allocate incoming orders from multiple channels or systems.

Optimize order fulfillment and reduce operating costs

Leverage inventory overages and/or ship from closest source to the destination.

Improve customer experience and satisfaction

Support additional fulfillment (endless aisle) scenarios and avoid losing the sale due to specific location stock outs along with reducing overall shipping times to customers.
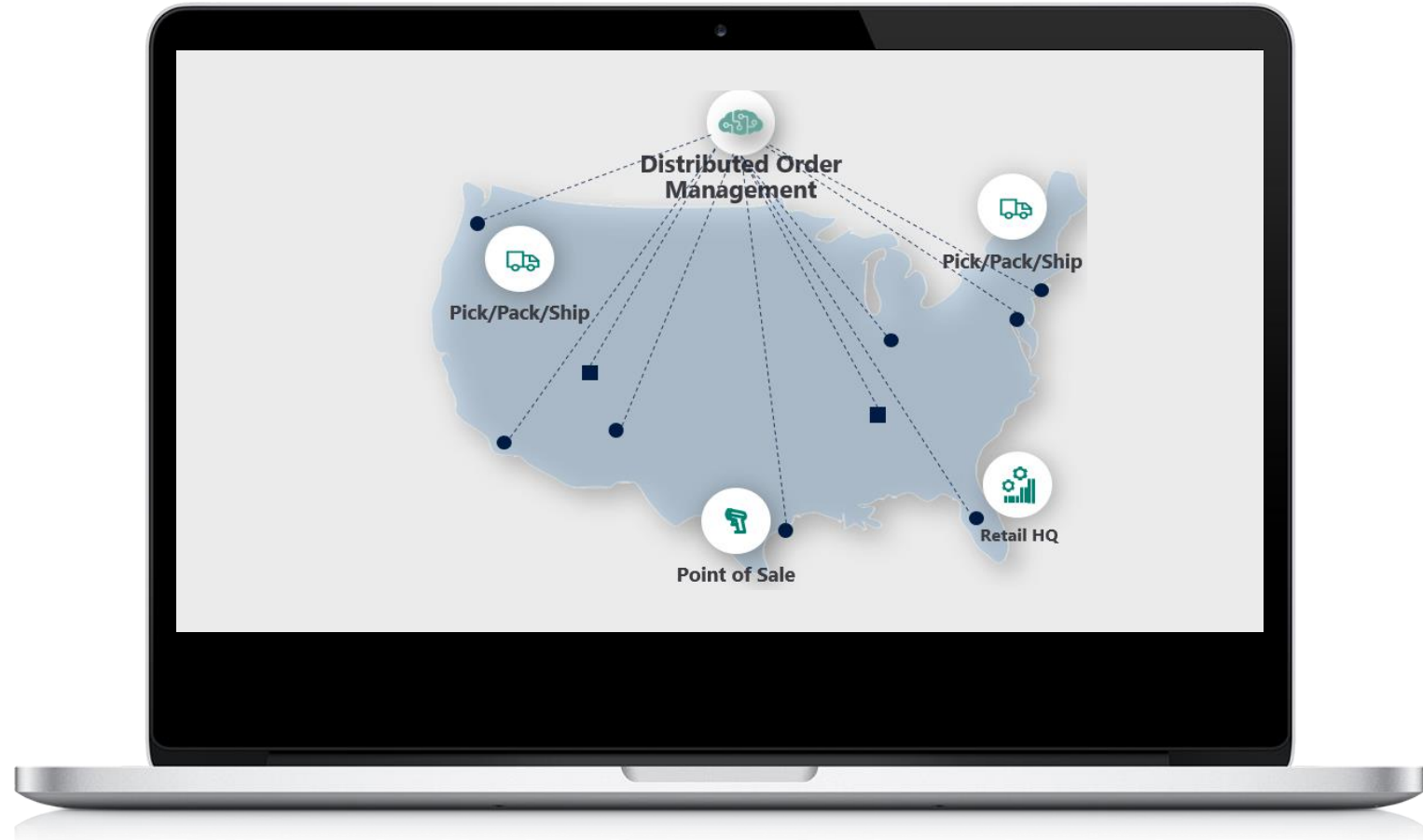
Headquarters

Call center

Create sales and return orders

Create customer orders or set up return orders with access to real-time inventory, and intelligent pricing logic.

Manage order exceptions

View held orders or orders that do not pass systematic payment or fraud validations rules to determine if the order can be released to fulfillment, canceled, or should continue to be held for further review with the customer or a supervisor.

Assist customers

The customer service screen allows for quick access to a customer's order history and to view and manage orders that were created in any Commerce channel. Make order edits, cancel orders, adjust prices, issue misc. credits, view shipment details, create support cases, etc.. Quickly find answers about order, payment or returns status and inventory availability.
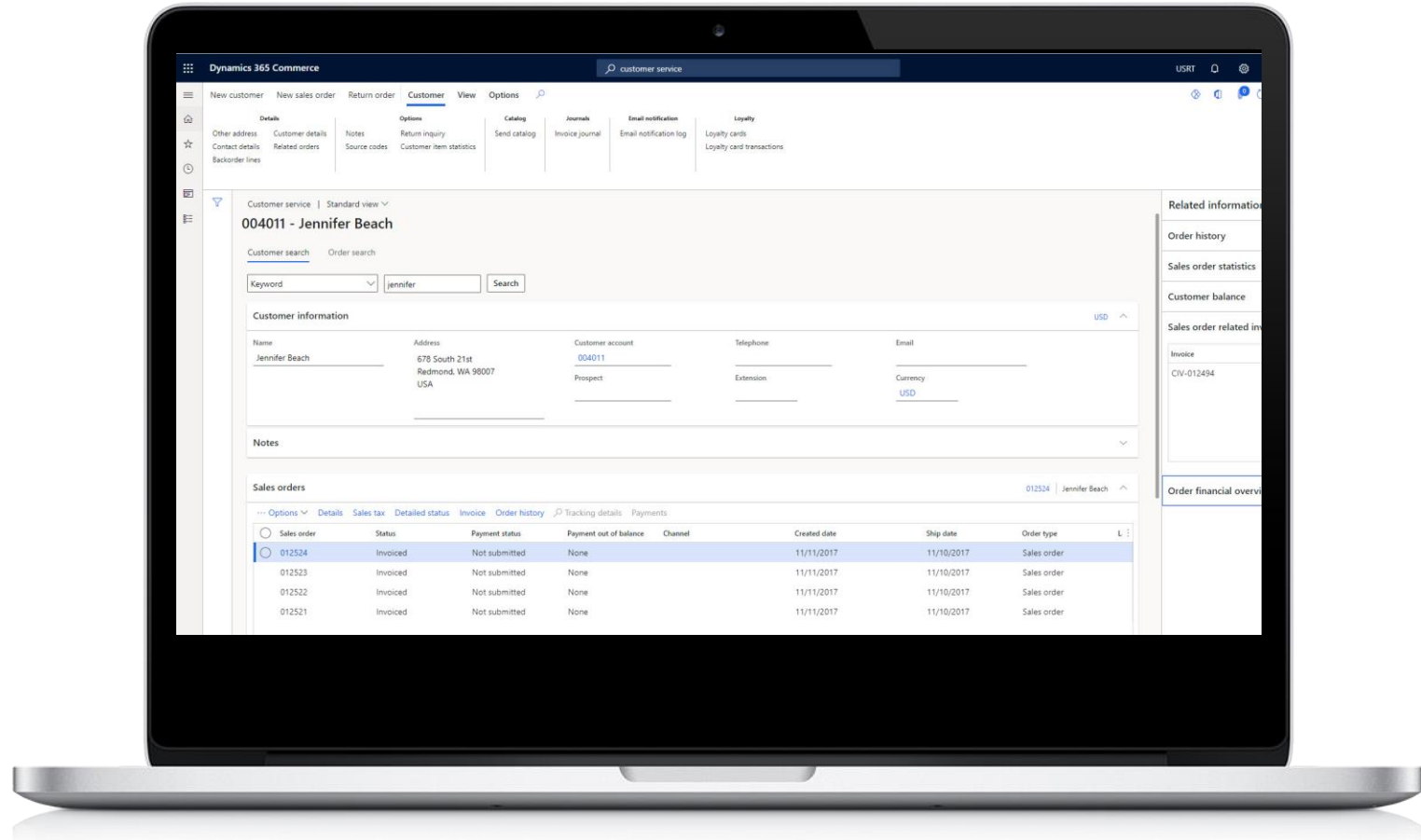
Omni-channel payment processing

Omni-channel payment support

Seamless payment management across call center, store commerce, and digital commerce (B2B and B2C).

Card Present and card not present support

Payment terminal support for card present functionality.
Card not present support for e-commerce and call center.

Adyen connector

Native integration with Adyen, one of the leaders in global payment processing.

Payments SDK

Allows for customers to leverage other payment services or providers with customization.

Multiple payment options

Support for gift cards, credit cards, customer account and digital wallets like PayPal, Google Pay and Apple Pay.

PA-DSS certified

Solution meets security compliance requirements as defined by the security standards council.
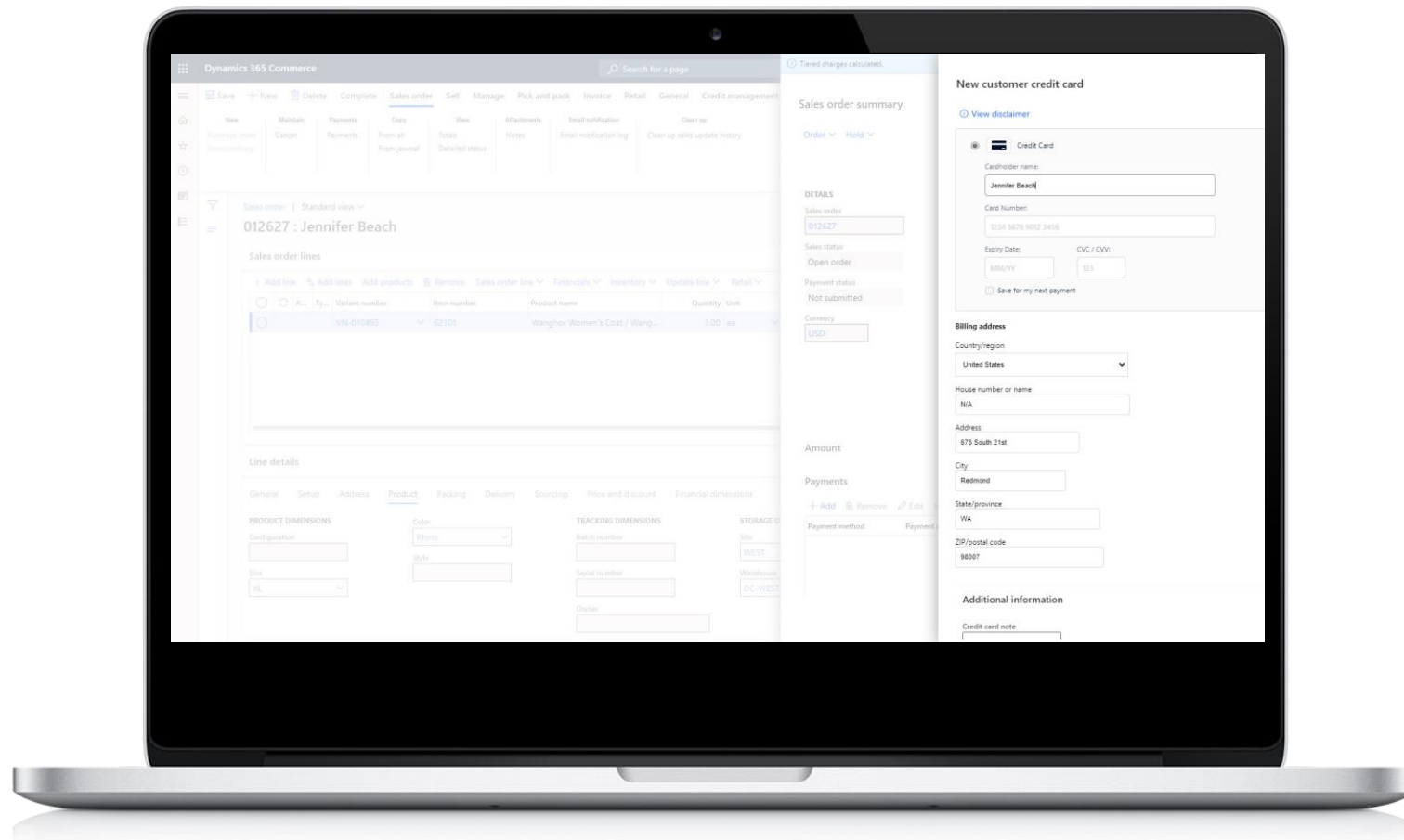
Enable the Modern and Intelligent Store

Dynamics 365 Commerce + Connected Spaces
Unlock new insights with intelligent technology

+
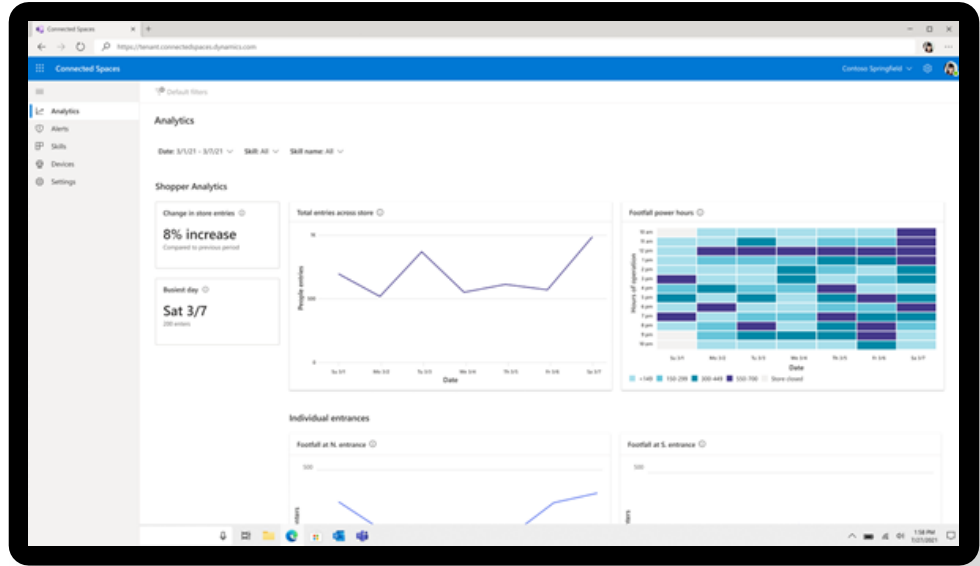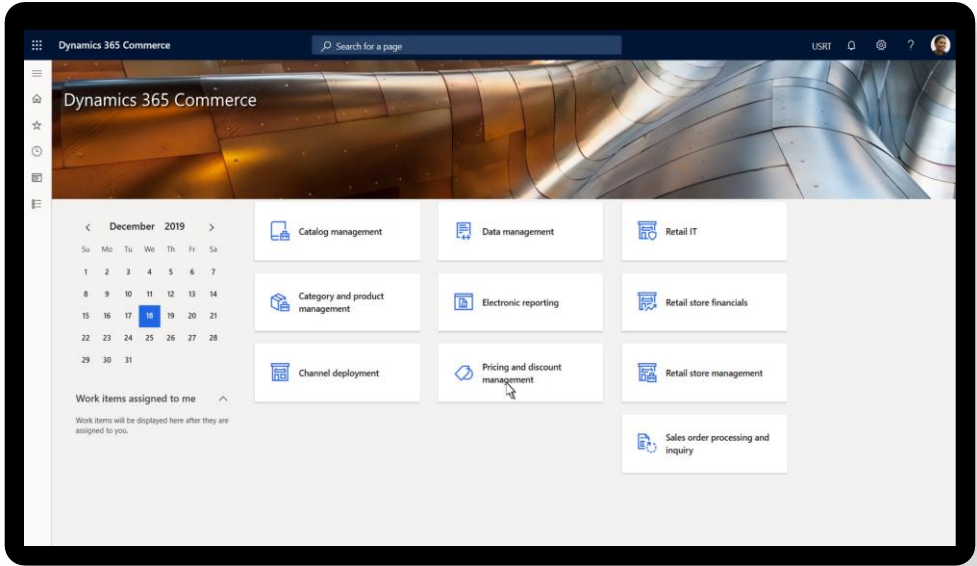
Commerce

Assign employees to the most appropriate in-store staff position based on their experience and customer, product, and inventory details.

Add activities, provide customers with AI-enabled recommendations, and track timelines, experiences, customer loyalty, and recent transactions.

Connected Spaces

Compare traffic patterns across displays and stores to improve engagement and sales lift in key areas such as end caps.

Address long check-out lines or customer occupancy limits in real time by equipping employees with actionable alerts triggered by store activity.

Trigger alerts based on observational data from video cameras correlated with other data sources such as point-of-sale transactions.

Dynamics 365 Connected Spaces

Dynamics 365 Connected Spaces works by collecting and analyzing disparate data from video cameras to provide real-time and predictive insights that help store managers and employees make better decisions enabling actionable insights to maximizing profit per square foot and operational efficiencies

Gain a new perspective

Gain a new perspective with Dynamics 365 Connected Spaces
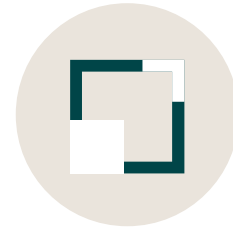
Observe, understand, and act in minutes

Improve customer and employee experiences with AI-powered skills
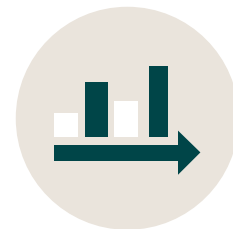
Enable intelligent decisions with actionable insights

IBM   Microsoft

Observe, understand, and act in minutes

- **Harness data from video cameras to reveal trends** and patterns in how people move and interact

- **Intuitively set up existing cameras and unlock new data** with a turnkey SaaS application—built to be extensible

- **Trust your observational data** with built-in privacy and security

Improve customer and employee experiences with AI-powered skills

- **Use traffic patterns for optimal placement of store associates** during the day to influence sales

- **Monitor traffic trends** and **learn which product displays perform best** to boost sales

- **Empower employees** to act in real-time with alerts triggered by store activity

- **Configure alerts** with Power Automate and receive alert notifications with Outlook and Teams

IBM   ::: Microsoft

Enable intelligent decisions with actionable insights

- **Track and visualize** the state of automated workflows

- **Access data-driven insights and alerts** in one place with a unified view

- **Target specific business opportunities** and pinpoint trouble areas

- **Predict ideal future behaviors** as your space changes over time

IBM   Microsoft

Connected Spaces AI models

Connected Spaces uses pre-built AI models in the form of "skills" to help understand customer behavior, traffic patterns, and insights unique to your space. The solution comes with three out-of-the-box skills:
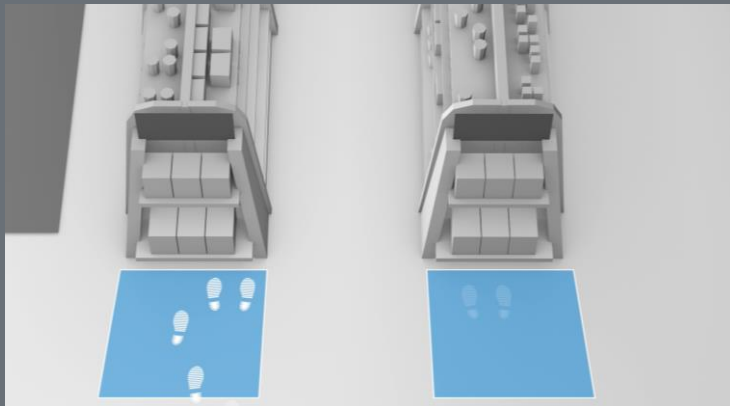
⚙ **Display effectiveness**

Showcase endcap customer journey
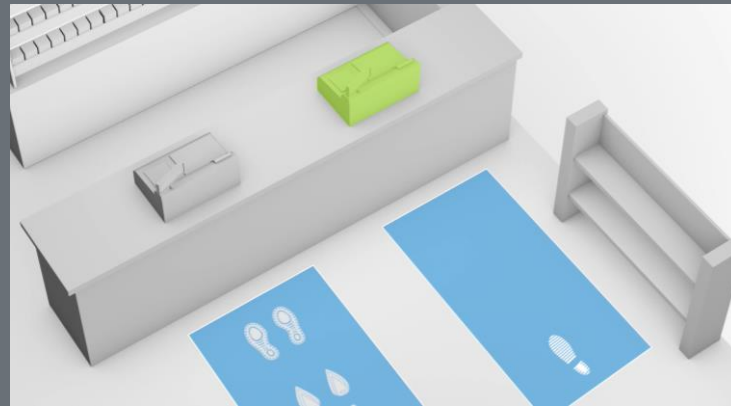
Queue management

Showcase queue count, wait time, completion/abandonment
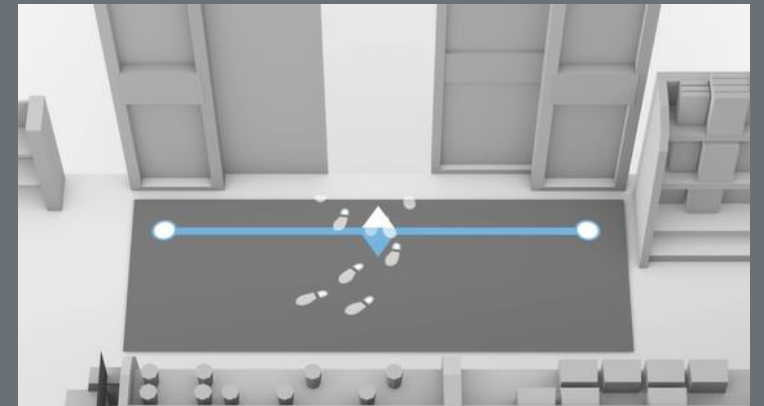
🛒 **Shopper analytics**

Showcase analytics, trends, opportunities, and anomalies

Creating a store for the future

A data-driven store transformation

AI-powered skills

Display effectiveness

50% OFF

25% OFF

4

7

Shopper analytics

5

Queue management

Shopper analytics

2

3

6

Queue management

1

ENTER

Store management

EXIT

Customers enter store

Store associate helping customer

Check-out

Shelf management

Product preferences

In-store advertising

IBM   Microsoft
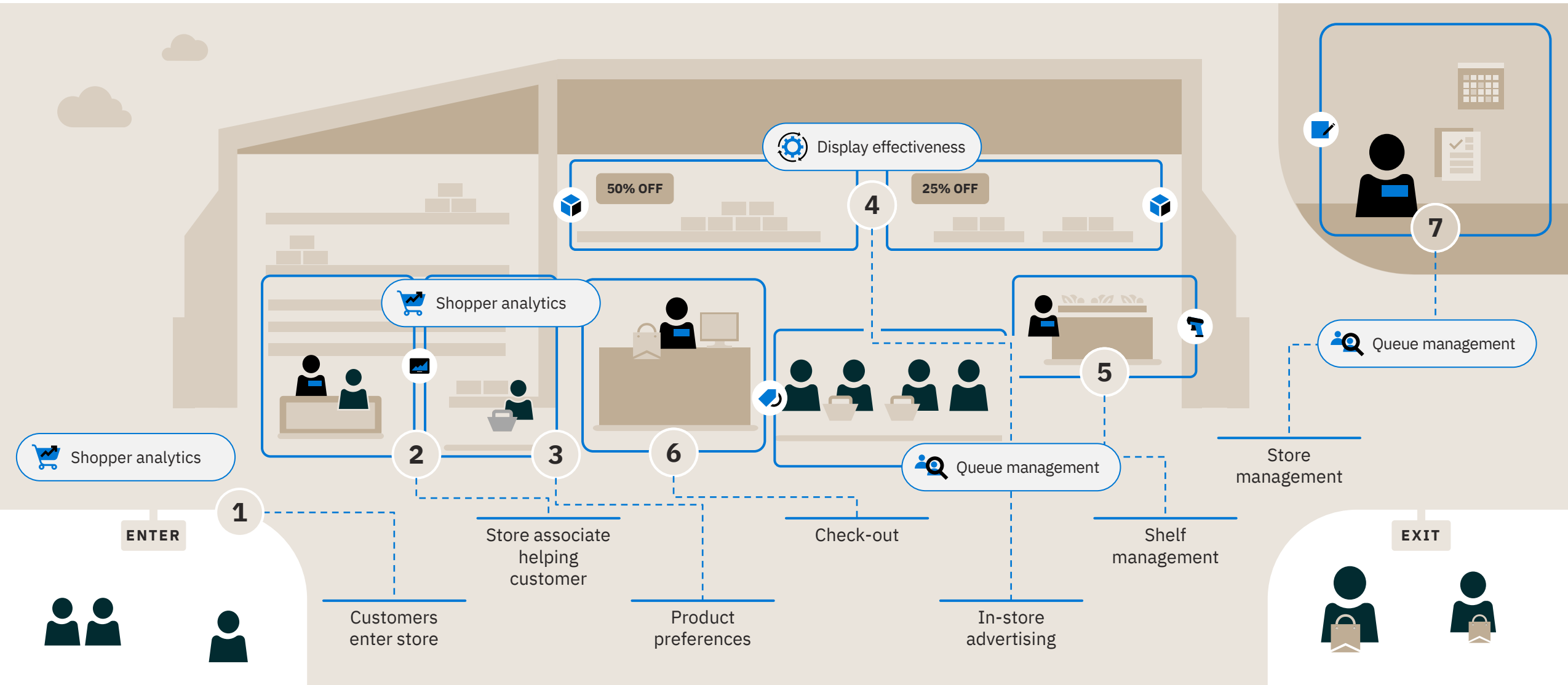
Display effectiveness

Display effectiveness

Create the real-world equivalent of the digital customer engagement funnel for promotions. This enables merchandisers to conduct A/B analysis and upsell using directionality.

- **Determine and measure the effectiveness** of displays/promotions within the store.

- **Learn which product displays perform best** to boost sales by analyzing traffic and dwell time around key display areas such as end caps.

- **Conduct A/B testing** to find the best location to place products by measuring engagement.

Queue management

Queue management

Get alerts on the queue wait times and to know when to open additional registers, ensuring your customers have the best experience.

- **Know when and where staff is needed** to provide exceptional service

- **Automatically alert employees** when a queue becomes too long and gain long-term insights on how queue dwell time, length, and basket size affect completions

- **Determine cashier queue lengths and wait times**

- **Make informed decisions** on employee shift management

- **Help improve customer experience** by reducing wait times

- **Improve revenues** by minimizing queue abandonment

IBM   Microsoft

Shopper analytics

Shopper analytics

Understand traffic patterns into and around the store to allow retailers to plan for shift management and inventory.

- Easily monitor foot traffic and shopper needs to manage the entire space.

- Use data from in-store movement to provide insights on trends and anomalies that can optimize activities such as shift management and inventory planning.

- Real-time occupancy alerts to help adhere to safety and health regulations and keep stores open.

- **Key insights include**:

  o Store entries

  o Busiest day

  o Least-busy day

  o Busiest entrance

  o Least-busy entrance

  o Over-capacity indicators

  o Foot traffic trends
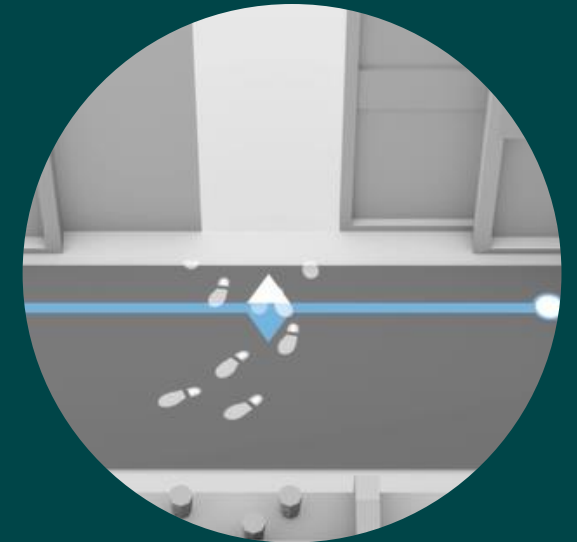
Connected Spaces dashboard: Skills
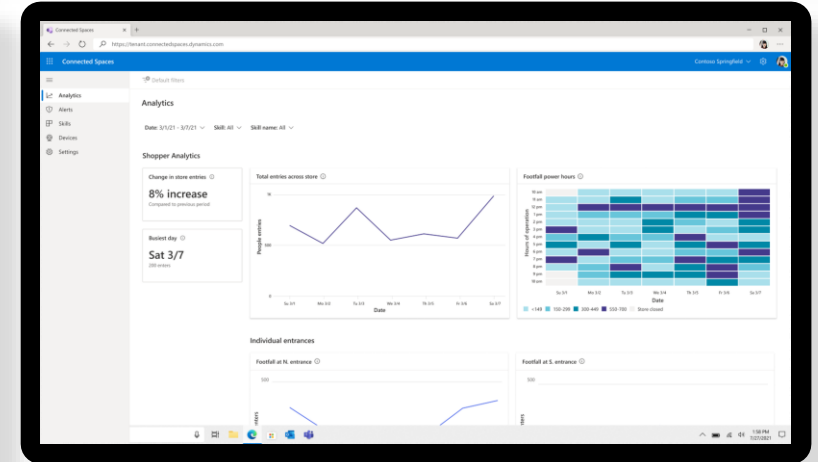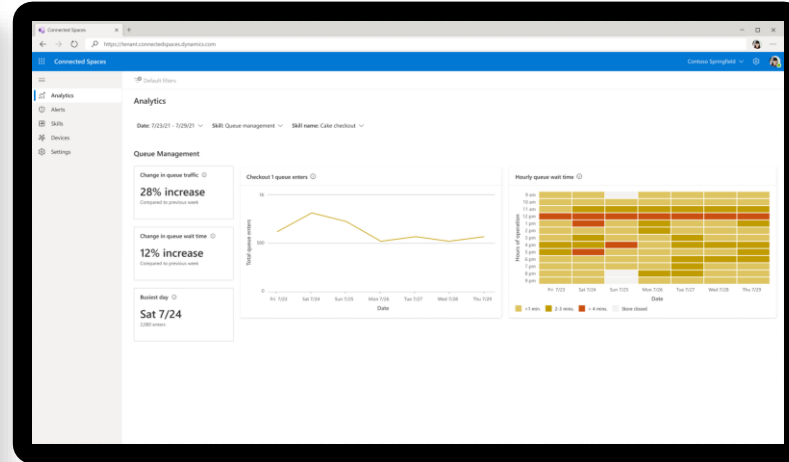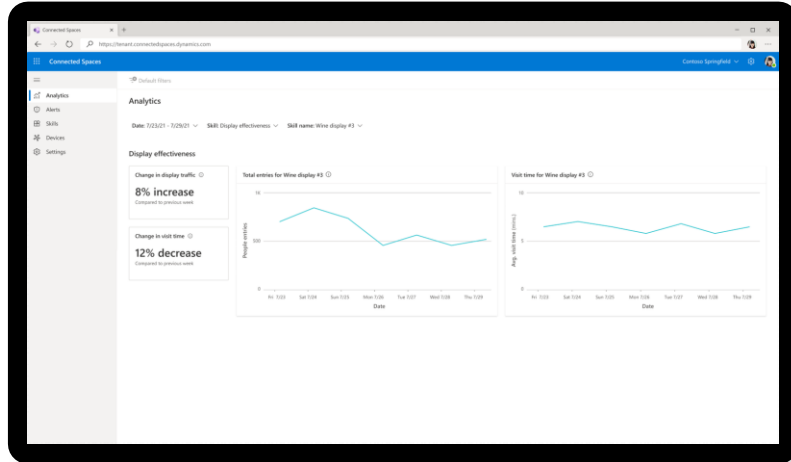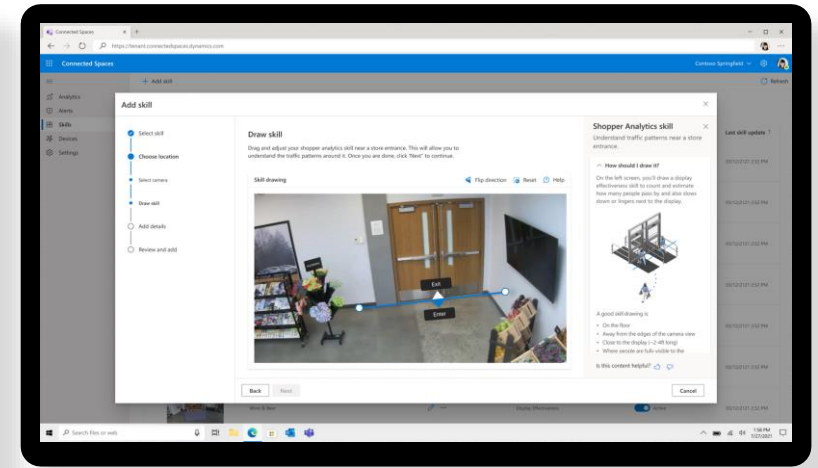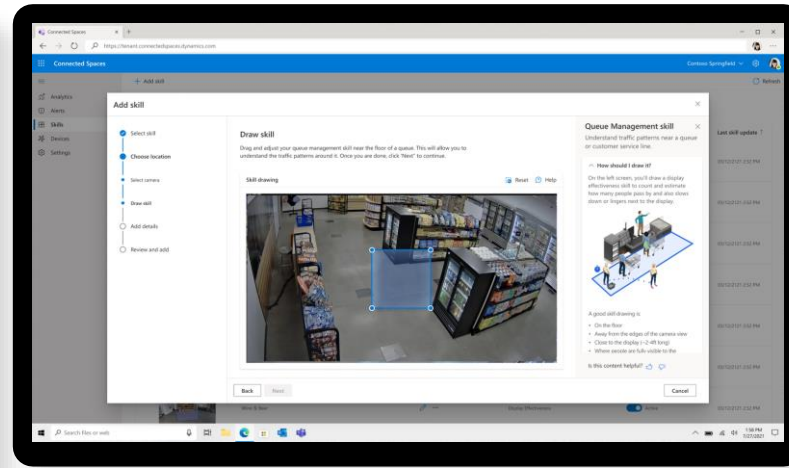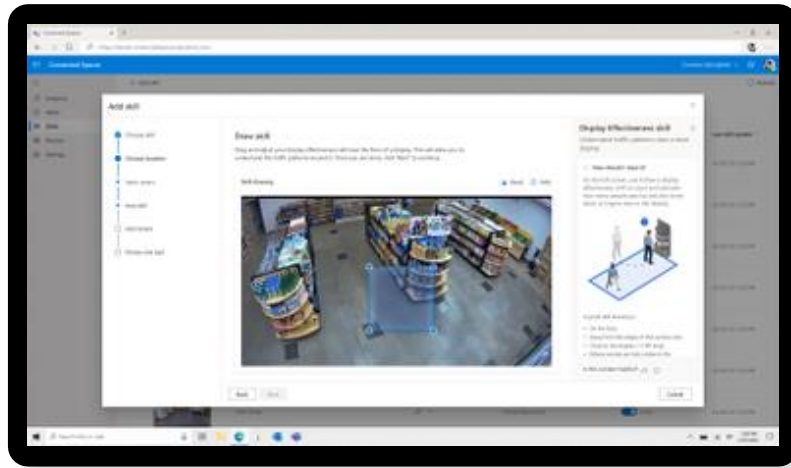
Display effectiveness

Queue management

Shopper analytics

Connected Spaces dashboard: Alerts
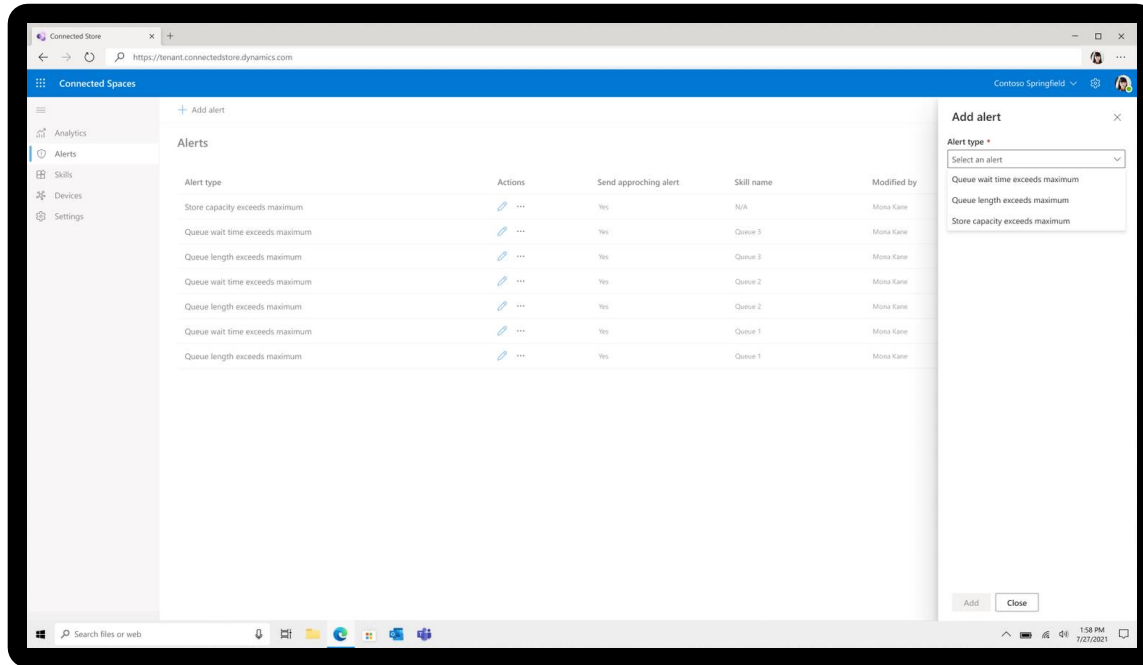
Add alerts for different skill scenarios

Empower employees to act in real-time with alerts triggered by store activity when a threshold is met—maximum queue wait time, maximum queue people, maximum store occupancy, and maximum display dwell time.
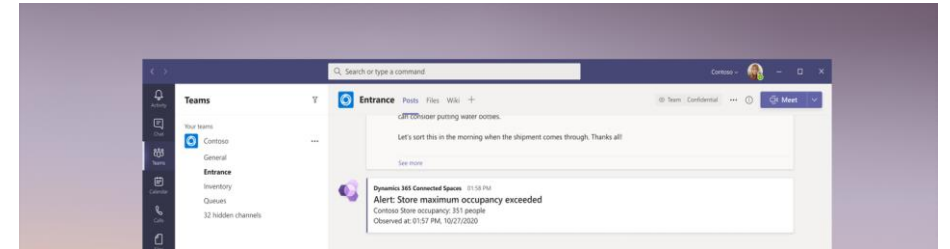
Teams view of pre-built alerts
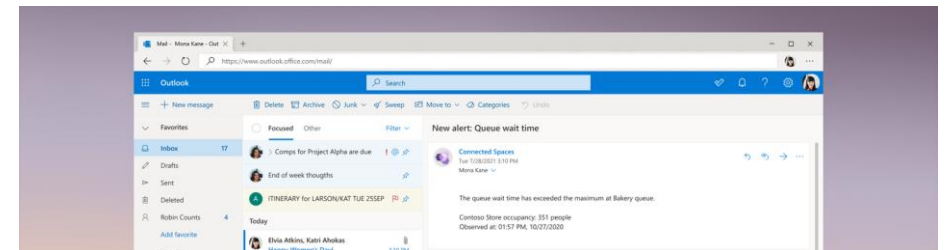
Outlook view of pre-built alerts

Configure alerts with Power Automate and receive alert notifications with Outlook and Teams.

IBM Differentiators driving Commerce Transformation

Microsoft and IBM are potent partners in the Retail space

Microsoft

- Microsoft Dynamics 365 is a **powerful end-to-end retail solution** that offers midsize and enterprise specialty retailers point-of-sale, store management, supply chain, merchandising and financials capabilities to deliver business productivity and customer service in a **single, integrated solution**

- Recognized by Gartner as an industry leader ERP package that excels in **usability, functional excellence and low TCO with faster time to market capabilities**

+

IBM Retail

- IBM Named A Leader In IDC MarketScape For **Retail Industry Consulting Capabilities**

- IBM's Globally Integrated Capabilities offer competitive solutions with global, regional, local, and onsite expertise

- **Retail and Microsoft Centers of Competency** offer SMEs with deep industry and software background that can provide thought leadership and strategic direction to clients globally

- Synergistic opportunities to position **IBM software for more sophisticated and matured businesses** and provide a differentiated solution

IBM Retail Toolkit

IBM Retail Toolkit **extends the capabilities provided by Dynamics 365** to help enable retailers in providing **personalized customer experiences and driving operational efficiency**. It enhances the existing Microsoft Dynamics capabilities while **reducing risk of implementation**.

Procurement & Merchandising accelerators

Build a strong foundation and minimize risk by leveraging enhanced functionalties for product mix, pricing, POS, etc.

CPG Store Assist

Improve retail execution while driving revenue growth and maximize ROI

Procurement & Merchandising Accelerators

IBM Procurement and Merchandising accelerators augment the capabilities offered by Dynamics 365 Supply chain and Commerce resulting in accelerated implementation, improved user efficiency and enhanced user experience.

Financial and Buying Planning	**Seasonal and Seasonal Segment Framework**	**Product Categorization Enhancements**	**Price Modeling Wizard**	**Retail Bridge Approach**	**POS Add-ins**
Extends D365 standard functionalities related to product lifecycle and simplify landing cost calculations for improving forecasting	Extends D365 functionality to improve reporting and analysis of product sales	Adds new fields, hierarchies, and workflows to D365 to improve data quality and decision-making	New D365 functionality to create price points per SKU, including pricing plans over time	Middleware to permit staged integration to legacy POS and other systems during deployment and go-live	Extensive library of add-ins to enhance the D365 POS capabilities in varied areas like customer data management, shipment charges calculation, etc.

IBM | Microsoft

POS Add-ins

Customer Audit framework

Capability to track changes made to customer record in POS and Dynamics 365 for F&O in a simplified manner

Customer data amendments

Framework for making key customer details in POS as mandatory and some fields to have defaulted values to ensure data integrity and security.

Customer capture prompt

Capability to prompt for customer capture when Total is selected, and a Customer has not previously been attached to the transaction

Single Customer ID

Capability to create customer records across legal entities with a single customer ID

Enhanced customer data model

Extended customer data model in POS

Weight based shipment charges

Extensible framework to calculate shipment charges depending upon weight & delivery location

POS Add-ins

Multiple coupon discount

Capability to trigger multiple coupon discounts that form part of an offer. (Standard functionality only supports one-to-one relationship between coupon codes and retail discounts)

QAS Address verification

Connector between Dynamics 365 POS and QAS to enable automatic lookup of customer delivery address via a postcode value input.

Givex External Gift card

Connector between D365 POS and Givex to support gift cards

Backorder stock check

Capability to perform stock check against the distribution warehouse. If no available stock is present, then a second check against inbound orders. The order will only be able to be placed if set criteria are met in relation to upcoming stock availability.

World Pay Connector

Connector between Dynamics 365 and World Pay

Intercompany SMOs

Direct delivery orders will be automatically created for all SMOs created in territories different to the point of fulfillment to enable the delivery of stock without the requirement of receiving the intercompany transaction into a virtual location.

IBM Retail Toolkit – CPG Store Assist

IBM Retail Toolkit – CPG Store Assist provides a platform that can help enable consumer goods companies drive revenue growth and maximize ROI through improved retail execution capabilities.

It provides the sales managers and field representatives with the necessary tools, data and technology needed to make smart decisions, drive better promotion execution, streamline order management and build stronger relationships with the retail partners and drive sales.

IBM Accelerators - Value Propositions

IBM understands retailers' pain points and has committed to solving them through product investment. It provides a consistent foundation for implementation success today and beyond.

- Lowers effort at project start-up
- Repeatable proven approach
- Lowers risk due to clear implementation process
- 20 – 30% reduced implementation time
- Reduction in day-to-day maintenance
- Brings best practice to your business
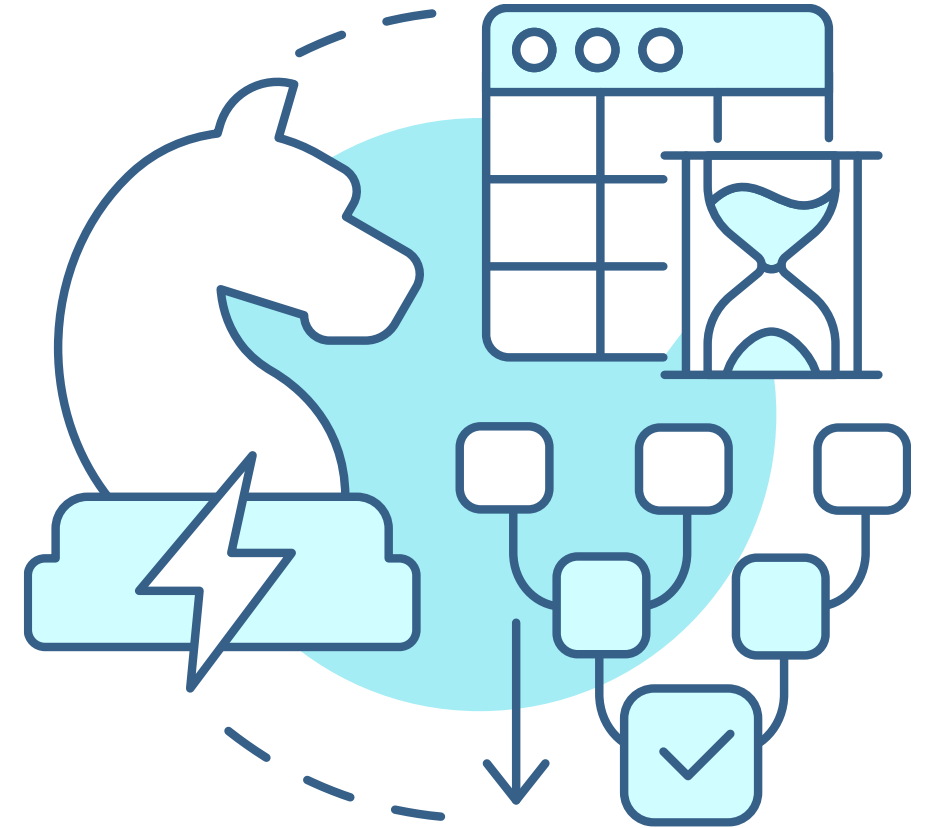
Next Steps...

Our accelerated approach enables rapid Commerce transformation

We combine the pervasive end-to-end nature of our delivery methods with the ability to scale in all places; people, skills, research, platforms, solutions, all while imparting culture on clients that lasts beyond the individual engagement.

Commerce Transformation

IBM Garage
Our primary way that clients co-create, co-execute and cooperate with IBM's teams. This enables a consistent and visible interaction with the user-centric, multidisciplinary squads

Dynamic Delivery
IBM's deep offshore and nearshore capability provide dynamic delivery models equipped to deliver value, speed, and quality at a scale that is unmatched.

Unique Industry Expertise
With our deep industry experience and expertise, we have developed best-in-class industry solutions to help clients achieve business goals, get useful insights across all organization departments & drive operational efficiency

The co-creation journey to **Commerce Transformation** can begin anywhere...

Strategize

Envision the future

Solve

Test and measure to get it right

Scale
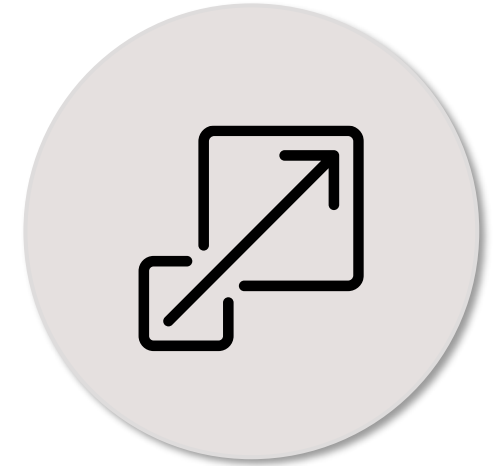
Activate finance and operations transformation

...let's identify the best entry-point together

IBM Garage is a bold, comprehensive approach to innovation and transformation that **quickly creates and scales new ideas that dramatically impact your business**

- De-risk innovation by starting with strong business outcomes and ruthless prioritization

- Focus on what is essential to realize impactful benefits

- Fully integrated solutions created by experts; yours and ours

IBM   ■■ Microsoft

IBM Garage accelerates time to value

Maximize **financial return** while gaining **operational agility, intelligence, and resiliency** with a process-led, technology-enabled digital transformation

Redefine how work gets done with an iterative framework that guides you from ideation, to build, to scale.

Co-create across stakeholders to define vision.

Co-execute using a fast, scalable, iterative approach

Co-operate scales your solution & team's capabilities.

Co-create

You need help reinventing your operations

1 Discovery & Design

Reimagined workflow

Co-execute

You need help building out the mvp to get started on your transformation journey

2 1+ MVP for Foundation

3

Co-operate

You have a proven solution you want to scale, and desire to continue digital transformation.

Test, validate, deploy for growth

**First Step:
IBM Garage Jumpstart**

One-day Garage workshop bringing together your key stakeholders to begin envisioning your desired future state (North Star), identify current challenges against that North Star, and determine key enablers – Technology, Data, People, Process

Inputs:

Best in Class Intelligent Workflow Designs

Design & Enabler Accelerators

Industry Leading POVs

Outputs:

- North Star vision and recommendations
- High-level prioritized view of areas with highest business value
- Benchmark assessment
- Business case inputs

Engagement Model: **Garage Method**

Scale with Agility and Speed

Scale to implement use
cases for **Connected Sales
& Marketing**

Scale to implement use
cases for **Connected Sales
& Marketing**

Prioritize & implement use
cases for **Connected Sales
& Marketing**

**Scale &
Iterate**

Prioritize use
cases for Pilot

**Scale &
Iterate**

MVPs

Pilot – Start & plan
for Connected
Sales & Marketing

Build, Deploy,
Measure Business
Outcomes

Build, Deploy, Measure
Business Outcomes &
Iterate

Scaled out

**Integrated Vision, Roadmap, Business Case & pilot use
cases (MVPs) for Sales & Marketing transformation**

*6 to 9 months
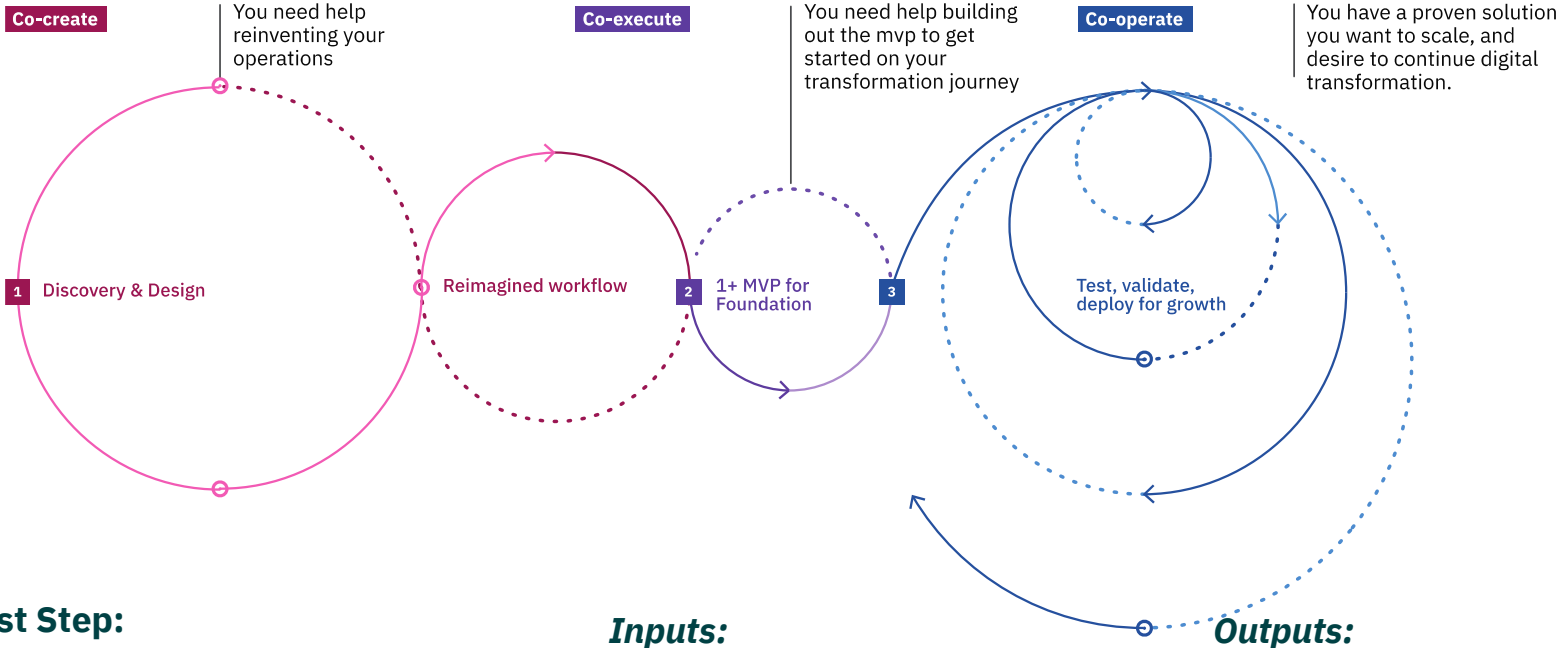
*Depending upon scope & complexity

Co-create across
stakeholders to
define vision.

Co-execute using
a fast, scalable,
iterative approach

Co-operate scales your
solution & team's capabilities.

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