



Key factors to consider when implementing SAAS merchandising solution

April 2021

By Gabor Tozser



I have written several articles about why, in an accelerating world, the rise of SAAS cloud solutions is inevitable. Planning and optimization challenges in retail have long been a prime area for SAAS cloud solutions. However, merchandising is also an area that is maturing to SAAS for the same reason that planning solutions have begun conversion to SAAS structure: time to implement is shorter, cost of ownership is lower and new features are added on an ongoing basis, making upgrades automatic, thereby continuously serving its users with up to date features and the modern business process support. **These are the key value factors of SAAS solutions that differentiate them against traditional on premise solutions.**

There is a perceived difference between merchandising and planning business areas in retail in terms of continuity dependence: while planning solutions are less critical to the business from an immediate continuity perspective, the merchandising system on the other hand is the heart of the retail business operation and is a solution without which the business cannot operate for even a short time.

For this reason and due to additional complexities of process, integration and a higher degree of dependence on merchandising solutions, merchandising has been adopted in the cloud at a lower rate than some of the smaller SAAS point solutions such as retail planning and optimization SAAS solutions.

With the above in mind, retailers are understandably more reluctant to switch the merchandising operation part of the business onto a SAAS cloud solution, yet the benefits are clear and interest is growing. The question many retailers ask is:

“How can I de-risk and control a transition to a SAAS merchandising service to achieve my targeted end state on time and on scope while ensuring the operation continues seamlessly?”



Good news is that there are proven tools and strategies you can apply to secure a successful transition. I divided them into two categories:

- **Technology** integration
- **Business** transformation

Technology

On the technology front, key focus needs to be on integration via the SAAS integration layer available to you. SAAS solutions do not allow direct access to the solution database. If you have integration and conversion utilizing direct database access, you need to change those and utilize

whatever your SAAS solution supports for data conversion and integration. In Oracle's SAAS retail merchandising cloud service, there are several options available for you:

For **conversion** you have the option to use foundation data induction mechanisms available in the cloud service front-end, allowing you to import foundation data such as items, suppliers, costs, prices and associated hierarchies via a spreadsheet upload. There is also a conversion tool available in the Oracle Retail cloud merchandising service called the [Data Conversion Application](#) which allows the conversion of external data into your SAAS solution.



You also have the option of uploading information via the standard integration features of the Oracle Retail Merchandising system: XML based messages integrated via the Retail Integration Bus, or via flat-file format for high volume data integrations such as for uploading sales data, supplier invoices, etc.

Standard interfaces are available not only for conversion needs but, as primarily built, also for data **integration** on an ongoing operational basis in and out of the retail merchandising cloud service. For more details please refer to the [Oracle Retail Integration Cloud Service manual](#).

There is a possibility to connect to the database schema via a Data Viewer, Oracle Application Express (Oracle APEX), formerly called HTML DB, that allows external access to the data model and data in the cloud service in a read only mode in production, and read/write mode in non production environments.

There is also the possibility to use the Data Access Schema (DAS), hosted for example in a PAAS Oracle Database or on an on premise database, that duplicates much of the data schema of the cloud based retail merchandising system via Oracle's Golden Gate technology, allowing read and write access to the duplicated data from the cloud solution without compromising cloud solution integrity and compatibility for patches and upgrades performed by Oracle on an ongoing basis, based on pre-agreed schedule with the client. All changes made to data are only made in the duplicated schema. Key use cases for DAS are reporting, integration and bolt-on extensions.

A key timeline related factor you also need to keep in mind when implementing SAAS solutions is the **provisioning** time of the systems you have contracted for. This time-frame needs to be secured with the cloud services vendor and needs to be taken into account in the project plan. In parallel with provisioning, a number of project activities can be performed such as data mapping, data cleansing, process discovery, process mapping and integration design. A non-production project environment can be secured to ensure uninterrupted progress in project activities as needed.

Business transformation

SAAS solutions have a pre-defined set of business processes they support, which are configurable but cannot be changed/customized like most retailers are used to with on premise solutions. In fact, SAAS solutions are provided as a black box cloud service, without visibility into the data model or source code of the solution. This isolation of the solution is critical to maintain the upgradeability and integrity of the system as a cloud service. On the other hand, this means that **user adoption** of the standard business processes supported by the cloud service solution is more important than ever before.



To secure effective user adoption of the configurable standard processes available in your retail merchandising SAAS cloud service, proven change management strategies can be applied effectively. Such strategies are adopted based on the culture of your organization. They may be simple (such as a well-documented prescriptive approach where the future process is explained clearly so each user knows what to do and will simply follow the pre-defined instructions) or far more immersive, such as building support and ownership for the new processes by involving the senior key users from your retail business team: winning them over for the new solution by clearly explaining **WHY** the new processes are needed; involving them in the configuration of the future tool, thereby giving them ownership of **HOW** future processes will run; and finally supporting the sharing of new process info with the broader team on multiple channels.

Information sharing channels can be written channels such as user guides, video format such as a vlog or video library of training materials and workshops to help new users learn processes in a hands-on environment where they can ask questions and get answers in real time. Setting up an internal help-desk and video + chat service also helps and makes adoption faster by allowing quick resolution of specific issues users encounter in their daily work. Oracle has an extensive Retail Reference Library available for customers to access and refer to, that shows all retail business processes supported by the Oracle Retail solutions on both high level and on lower detailed levels. Retailers can also take advantage of Oracle's Retail Learning Subscription service that contains a wide variety of videos demonstrating retail specific topics and workflows in the Oracle Retail applications, serving as a great pre-built training material for retailer teams both on the functional and on the operations side.

By applying these tools and strategies, your business transformation on the cloud is achieved quickly and with controlled results, securing the objectives your business aims to achieve.

If you would like to discuss this subject in more detail, have questions, comments, feedback, or additional thoughts, please do not hesitate to reach out to my team and me! You can [contact us](#) at www.qbcs.com.