What a stack

eStar CEO **Andrew Buxton** defines retail system building blocks and the importance of getting them right.

RETAIL HAS A few major systems building blocks.

Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Point of Sale (POS), Electronic Direct Mail (EDM) and Warehouse Management Systems (WMS) are just some.

Innovation is constant within the major building blocks, and in more specialised tools for smaller specifics such as payment types, search and personalisation. For smaller areas, there are always new vendors with innovative solutions.

Integration is critical but it's not the issue it used to be 10 years ago – 80% of IT projects often got stuck in integration with big global software that didn't easily fit together. However, integration is now simpler.

Despite this, the approach from big global software providers is still: we have everything, just deal with us!

That is, they try to sell the benefits of "one vendor, fully integrated, technology stack". The issue is that no-one is actually good at everything, and certainly not great at everything. Today, integration is no longer the huge pain point it once was with good open solutions.

So, what's the best approach? Go to the major systems building blocks and decide which is best for your business. Choose an ERP, choose a CRM, choose an eCommerce solution, choose a POS solution and choose a marketing automation tool. Integration is still a question to be asked sure, but a better one is: "How easy is your solution to integrate with anything?"

Yes, this model means working with more vendors. But they are actually quite clearly defined in the major blocks – and if they're good they will integrate and play well with others. This approach enables you to choose great solutions in one area, more complex in some, cheaper in others, and work with solutions you already have. It means it's easier to prioritise and upgrade what you do.

This gives the opportunity to get the best solutions for your business with practical vendors for each element and not get "locked in" to one global stack beast.

New software appears all the time. Take payment services that allow customers to buy now and pay for purchases in instalments. There are hundreds of new solutions that don't sit within global stacks that you might want to take advantage of.

The key is not who owns them but can your key systems' building blocks quickly and effectively integrate with them?

So, determine your major building blocks, then a plan for what needs to happen first. Customer facing is usually the most important and live with some of the back-end you have, great solutions for say eCommerce or POS will link to them anyway.

Then get what's right for you and ignore the "fully integrated stack" argument as its often an inflexible solution with one large integrated invoice. ■