

How Leveraging the Cloud Can Unleash Retailers' Business Agility

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Newly launched Oracle Retail Cloud Services combine reliability, security, cost savings, and built-in interoperability

The ever-accelerating pace of change in retail puts pressure on everyone within the retail enterprise, but perhaps no one feels it more acutely than the CIO. Technology is rapidly reshaping key elements of the traditional shopping experience, from m-commerce and mobile payments to store-based fulfillment. IT departments are tasked with discovering, and bringing on line, these fast-emerging functionalities, while at the same time maintaining the existing architectures that support both basic corporate and retail-specific systems.

Given these competing demands – “keeping the lights on” while simultaneously serving as the engine for business agility – retail CIOs require cloud-based applications from a trusted technology partner with extensive industry expertise. Oracle is responding with a new offering of Oracle Retail Cloud Services applications for managing e-commerce; customer engagement; order management and order brokering; loss prevention; and brand compliance. (See product list below; click on a product for more information.)

Cloud-based applications, which in essence outsource many elements of IT management, maintenance, and upgrades, address retailers' need for business agility. It's increasingly common that when an IT organization can't supply the new functionality that the business side seeks, a simple lack of time is cause. Cloud deployments free up IT resources for more strategic projects, and they also allow technology vendors to deliver innovation to retail users faster and with more frequent updates.

Keeping Costs in Check

The other benefits of cloud-based applications have been well documented, and are part of the reason so many businesses and individuals have been embracing cloud-based applications, data storage, and processing. They include:

- Lower initial hardware and software costs
- Lower ongoing costs, leading to a lower TCO (Total Cost of Ownership)
- Faster deployments and streamlined routes for patches and system upgrades

Other cloud features are particularly well suited to a retail environment. Scalability and easy access to additional processing power on an as-needed basis fit the needs of a highly seasonal business, one that must often deal with unexpected spikes (such as when a retailer seeks to promote a suddenly “hot” product) and dips.

Oracle's subscription-based pricing for retail applications maximizes this benefit, bundling software, hardware, and upgrades into a predictable cost structure. In addition, by pricing IT services like a utility, retailers only pay for the processing power they require and actually use.

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As the Vice President of Retail Strategy and Solutions Management, Jeff Warren is responsible for the development of the strategic roadmap vision for Oracle Retail based on market analysis and requirements. Jeff is a key stakeholder in the portfolio management and product lifecycle management initiatives to drive growth and customer satisfaction for the Retail Global Business Unit.

Warren joined Oracle Retail through the acquisition of Retek, and brings more than 20 years of development experience across Merchandising, Planning, Supply Chain, and Stores to his role. Most recently, he held the position of Senior Software Development Director, Oracle Retail. Warren has a broad industry perspective due to his experience as an executive sponsor to retailers from multiple geographies and segments. He began his career in consulting at Accenture followed by APEX IT, and holds a Bachelor of Science in Industrial Engineering from Iowa State.

Mitigating Risk, Maximizing Security

Many retailers have hesitated to deploy in the cloud based on concerns about data security and overall reliability. This is understandable, given that retail data breaches are highly visible and can tarnish both individual companies and the entire industry. The ability to protect data and maintain the trust of their customers necessarily remains top-of-mind for retailers.

Oracle Retail Cloud Services benefit from the company's worldclass culture of operational excellence. Oracle data centers are classified as Tier 4, the highest level of sophistication, providing 99.995% of uptime. This translates to less than 30 minutes of downtime during an entire calendar year – performance that very few (if any) retailers could match. Oracle Retail also has access to Oracle's top-notch expertise in the cloud, security, and networking.

Security features inherent to Oracle technology solutions allow for transparent data encryption at the column level, allowing PII (Personally Identifiable Information) to be encrypted using keys that are held in a separate "wallet." Backups are automatically encrypted, and keys can easily be changed on an as-needed basis. Oracle Retail solutions leverage Oracle Identity Manager to manage and enforce authentication and authorization for applications, and all elements are PCI-DSS certified.

Built-In Interoperability

Retailers will also benefit from the strategy behind Oracle Retail Cloud Services. These solutions are part of the retail industry group's comprehensive Commerce Anywhere strategy, which encompasses technology ranging from financial applications to system hardware, so they are designed for maximum interoperability with both on-premise and cloud-based systems.

Oracle also offers flexibility in cloud deployment options. Because different retailers will be at different points in the cloud adoption curve, Managed Cloud services (also known as hosting) allow users to get more comfortable with the concept of outsourcing elements of their IT infrastructure. As the technology provides "wins" and the retailer's culture adapts, the adoption path can ultimately lead to Oracle Infrastructure-as-a-Service and Platform-as-a-Service offerings. Oracle offers choices that retailers can leverage based on where they are in terms of their own maturity level and business needs.

Most importantly, Oracle Retail Cloud Services give CIOs the tools to keep up with today's dizzying speed of change. Retailers can no longer wait one to two years to implement the next big thing; IT departments need to deliver meaningful value to the business in time frames that are measured in months. By outsourcing key day-to-day operational duties to cloud providers, IT departments are freed up to offer higher levels of strategic innovation and business agility.

To learn more about our cloud services, contact your Oracle Sales representative, or send an e-mail to OneRetailVoice_ww@Oracle.com.

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