Omni-channel
Digital Platform Strategy

Jason Fei
Director of Architecture, eCommerce
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What “Omni-channel” means to us
What we do is “Omni-channel”

**Direct**
- Walgreens.com
- Drugstore.com
- Beauty.com
- Photo mail
- Pharmacy mail

**Cross-Channel**
- Web Pickup
- Photo/Pharmacy online to store
- Refill by Scan
- In store ordering/ship to store
- Home delivery

**Enterprise**
- Balance Rewards
- Weekly Ad
- Store Locator
- Local Store Inventory
- Mobile coupons
- Digital marketing
Omni-channel helps us stay relevant

Consumers

Digital technology is a part of their everyday lives
- 78% of all shoppers use the internet to research products
- 72% of adults looked for health information online in the last year

Competitors

We face more competitors today because of the web
- eCommerce expected to comprise 10% of total retail sales by 2017

Source: Cisco Study, 8/10 consumers shop through bits & bytes, PewInternet Health: April 2013
...and traffic is growing across our digital properties

1,700,000 visits/day to our properties

Source: Walgreens Internal Data
Our mobile properties add even greater convenience

10 apps and mobile websites, 50+ partners

Walgreens
For iPhone
For Android
For Kindle

RxmindMe
For iPhone

Walgreens
For iPad
For Android Tablet

Beauty.com
For iPad

Walgreens Developer Program
35% of our Walgreens app users using the app in-store

- Checking Rx order status
- Reading product reviews and product information online
- Checking inventory
- Locating items on the shelf

“Smartphone shoppers are 14% more likely to convert and make a purchase”

-Alison Paul, Vice Chairman Deloitte LLP

Source: Walgreens Attitude and Awareness Internal Study, 2012 Deloitte “Smartphones will influence $689 Billion in retail sales by 2016”

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Today, more than half of online refills come from mobile

Source: Walgreens Internal Data
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Mobile is a growth enabler in our photo business

Source: Walgreens Internal Data
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We fill more than 1 prescription every second from mobile

100% of mobile scripts are filled in our stores

Source: Walgreens Internal Data
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Current State - Challenge #1:
Consolidating multiple standalone technology stacks

Current State Architecture
Oracle ATG Web Commerce multi-site is the key platform enabler

Supporting a spectrum of sites and channels

- Eases implementation of microsites, affiliate sites, country sites, mobile sites, kiosks, etc.
  - New site administration UI and site templates to simplify site creation
- Enables shared infrastructure and content
  - All elements of Commerce experience are multisite enabled including catalog, price lists, shopping cart, personalization
- Improves site management, reporting and operations
  - Centrally manage all your sites
  - Multi-site support for segments, targeters, content groups, rules, search, search merchandising

Source: Oracle presentations
Current State - Challenge #2: Transform web centric platform to digital platform

Today’s Web Centric Platform:
• Less optimal desktop-down version of websites for mWeb.
• Broken tablet experience.
• Business components are built for web sites/browsers and not exposed/reused as services for mobile apps and third-parties.

The Next Generation Digital Platform:
• Context aware experience to bridge between physical and digital.
• Optimized the tablet and mWeb experience for device categories with responsive designs.
• Build common business components once for all digital devices.
• Flexible and efficient ONE “Commerce Anywhere” platform.
Omni-Channel Digital Platform

• The platform is the combination of Oracle ATG Commerce 10 out of the box feature set and common custom extensions and standard eco-system integrations.

• It is a full service eCommerce offering that is ready for all Walgreens current and future properties to further extend and customize

• The platform is NOT one monolithic app or independent apps running on Oracle ATG Commerce 10
Omni-Channel Digital Platform – continued

• The platform is designed to be consumed by any digital devices.

• With the support of:
  ✓ Multi-layer application architecture.
  ✓ Multi-tenant deployment architecture.
  ✓ Multi-site ATG framework.
  ✓ Service-first, responsive design philosophy.
Multi-layer Application Architecture
– Common Platform Capabilities

Digital Channels

**Daily Living Module(s)**
- Product Rec
- WP/ SDD
- Ship to Store

**eHealth Module**
- PSC
- Refill Hub
- TCG
- SRx

**Photo Module**
- Photo SSO
- Kiosk
- GQM
- Profile

Desktop, Tablet & mWeb
Native Mobile Apps
Store facing (kiosk/ISO)
Customer Care

**ATG Extensions/Customizations**
- SSO
- Base Paymt/ Tax
- Shipping Methods
- A/B Testing
- Single Use Coupons
- Address Validation
- Fraud Check
- Store Locator
- Promotions Limits/ Alerts
- Site Search
- List (Shopping)
- Profile Extensions
- Promotions
- Publishing Workflow
- Foresee - CSAT
- PIM / Item Setup
- Content Social & Video Integ.
- SEO
- Omniture (base model)
- Transaction E-mail
- Mktg Attribution, E-mail eeds/tools

**ATG Out of Box**
- Catalog
- Pricing/ Price Lists
- Content Admin
- Chat
- Multi-site

- Personalization / Segments
- Customer Service
- Multi language, $ display
- Profile (Base Model)
- Shopping Cart
- Inventory
- Auto-Reorder
- Orders/History
- Workflow

**Integrations/Interfaces**
- Content Integration
- SMS integ/ Mobile Svcs
- BR/Loyalty Integration
- Product Rec Integration
- CDI/OPV/EDW integration
- Social Platform Integration
- Legacy Rx Interfaces
- Legacy Photo Interfaces
- Legacy DL Interfaces
- MAP & Legacy Item Interfaces
- Legacy 3rd party interfaces
- Demand Mgmt Int.
- Fulfillment/ Warehse Int.
- DropShip Integration

**Photo Module**
- Digital Channels
  - Desktop, Tablet & mWeb
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**Digital Channels**

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**ODP**

**Digital Channels**

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- Native Mobile Apps
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Multi-tenant Deployment Architecture

Legend

Channels

Multi-site groups

Channels

Multi-site groups

Legend

Ecomm Systems

Enterprise Systems

Vendor Systems

Mobile

Web

In-store

Legend

Ecomm Systems

Merchandising/CA/BCC

CSC

OMS

Endeca XM

Enterprise Systems

EPS

ADR7

IC+

Data Power

Stores/PC+
Q&A
Thank You

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