Future-Ready Technology

Shoptalk Europe: Streamlining & Optimising Your Technology

Holden Bale - Global Chief Strategy Officer

MERKLE
a dentsu company

Some hard truths

HARD TRUTHS

"Digital transformation" and "omnichannel" have not been democratic

Sources: MIT Sloan; Merkle Business Leader Research, Global, 2024 N=820, 33% NAM, 33% EUR, 33% APAC
18% Retail & CPG, Median Revenue $2.6B

51%

Organizations who have stalled or **abandoned transformations in the last 3 years.**

50-70%

The average "failure rate" of digital transformations; 40%+ of projects with a custom technology element run over cost.

10% **Retailers feel that they have "solved"…**

1. Demand attribution
2. "Sales credit"
3. Omnichannel planning
4. Pricing & promotions optimization

<40% **of global executives**

have **any common KPIs** across media, CRM, eCommerce, and sales and service

HARD TRUTHS

Retail is the lowest ranking category for business satisfaction with their enterprise technology

Source: Merkle Business Leader Research, Global, 2024
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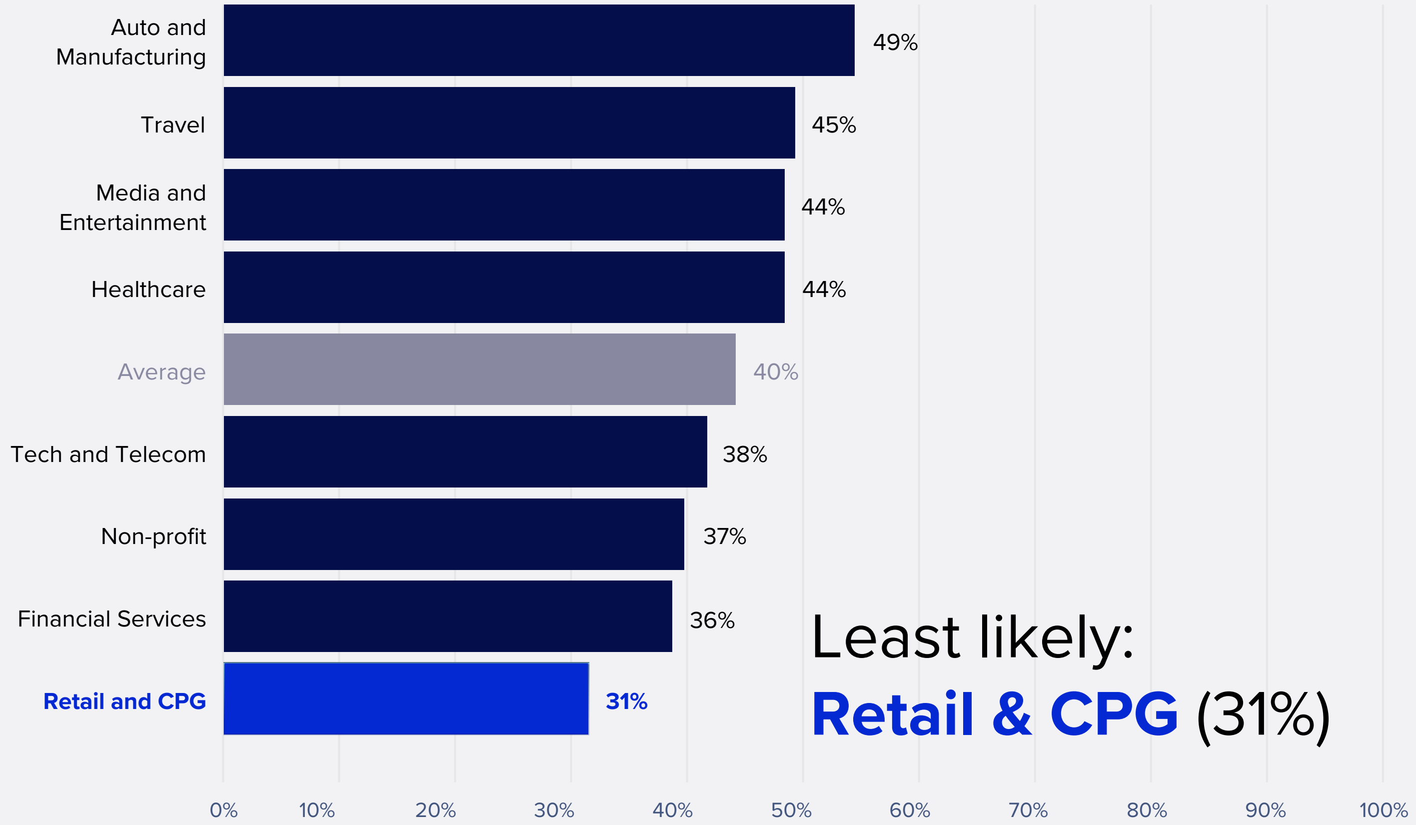
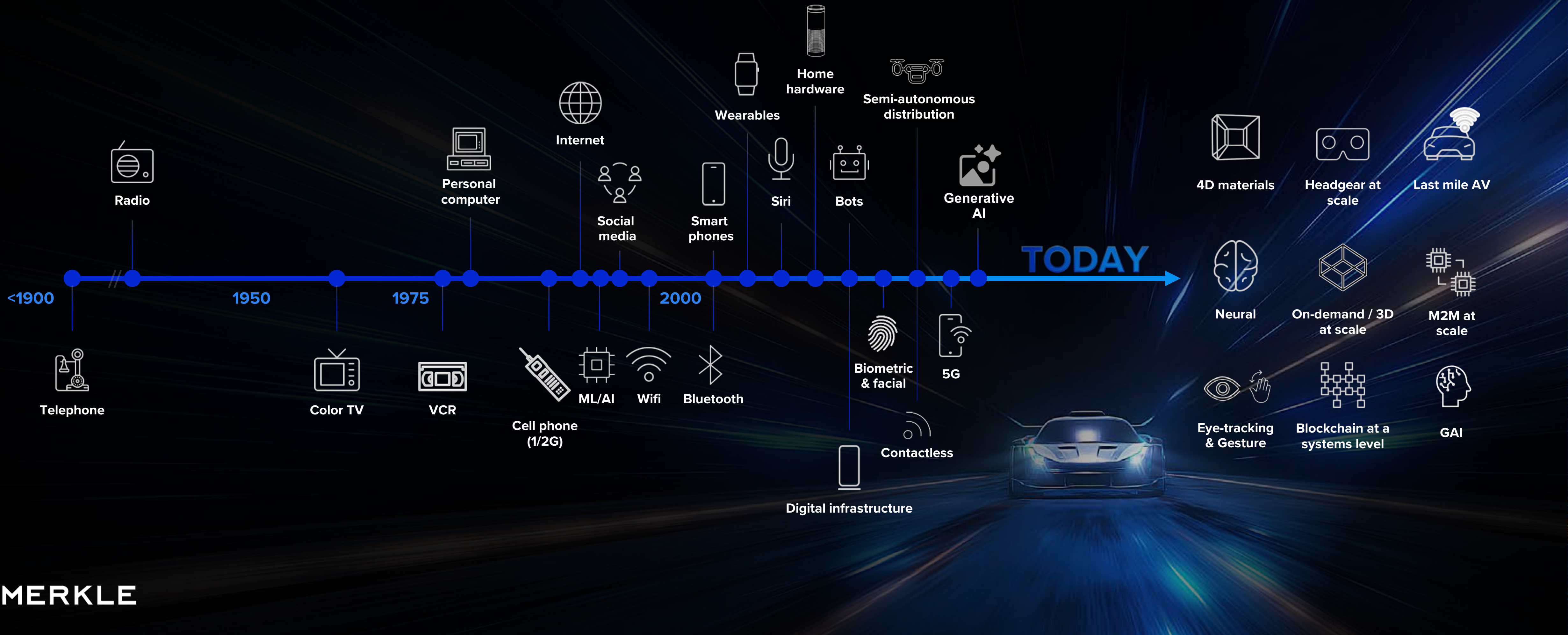
Shoptalk Exclusive

Well integrated & high performing technology ecosystems

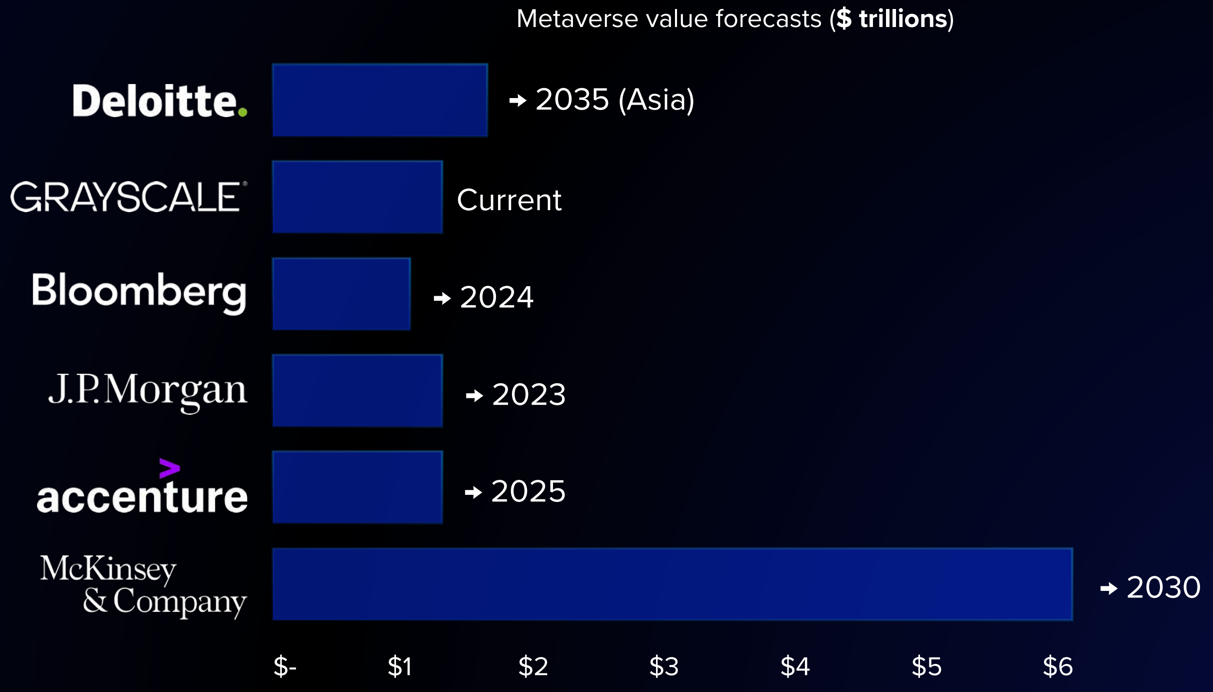


It feels like the **acceleration of everything**

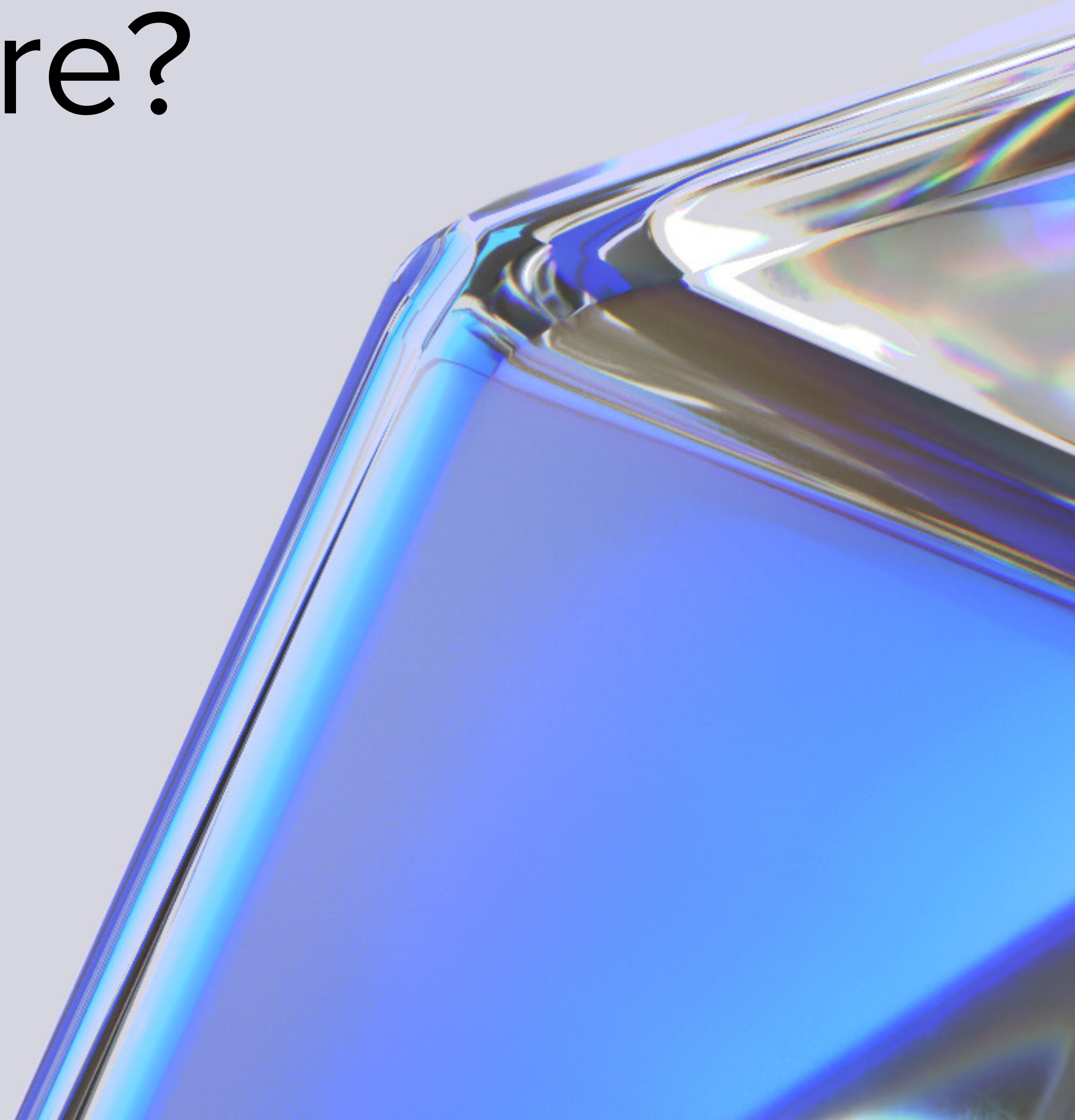


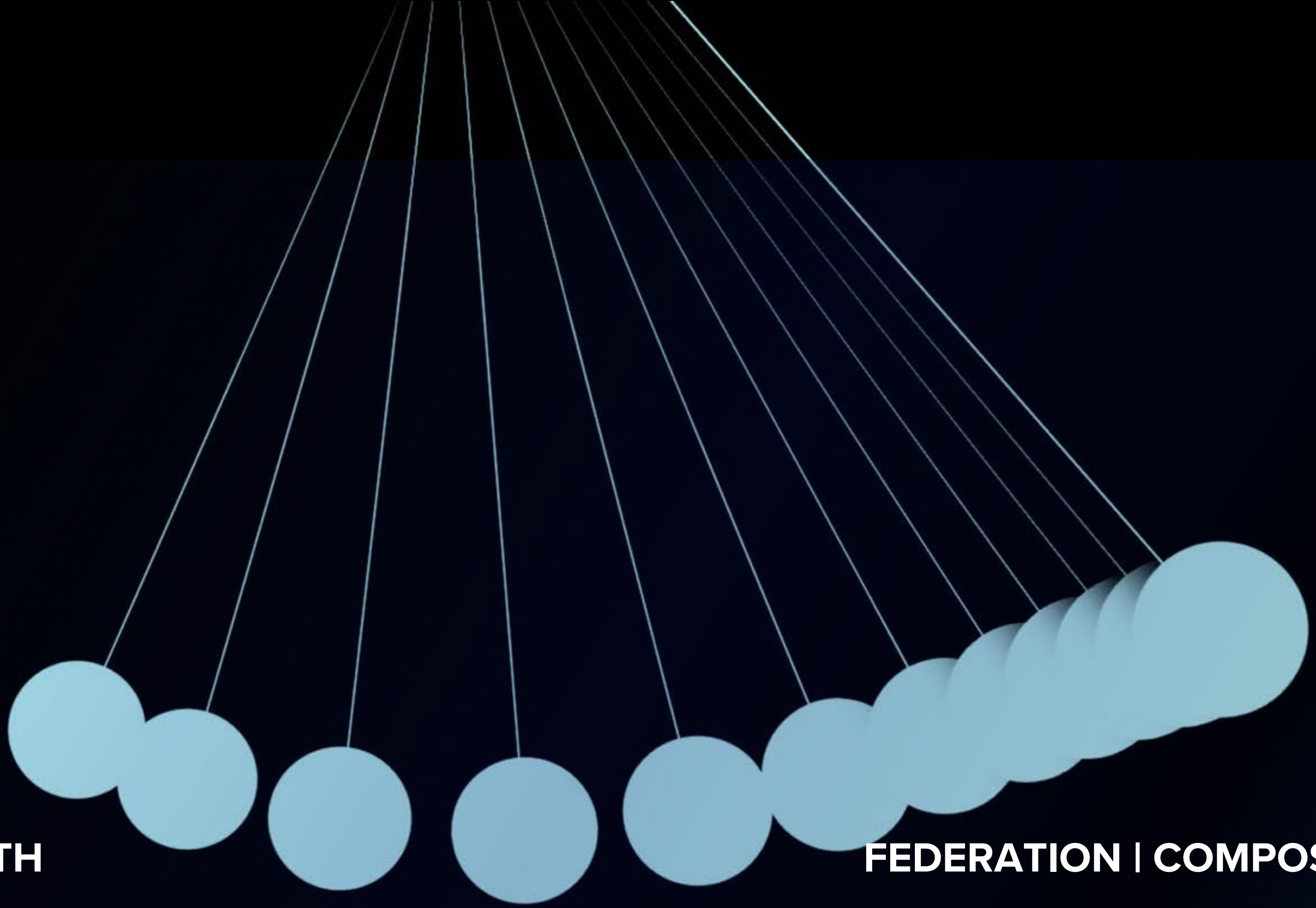
...but it's hard to separate **hype from reality**

Metaverse speculation



How did we get here?





CONSOLIDATION | MONOLITH

FEDERATION | COMPOSABLE

2006-2012
Second Wave Web

Innovation and SaaS models in CRM, MP&A, eComm, and Supply Chain

Shift to mobile in eComm and CRM

APPLICATIONS

demandware
CQ5
ENDECA
ExactTarget
atg
hybris
Marketo
Responsys

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2012-2018
Modern Ecosystems

Buy over Build

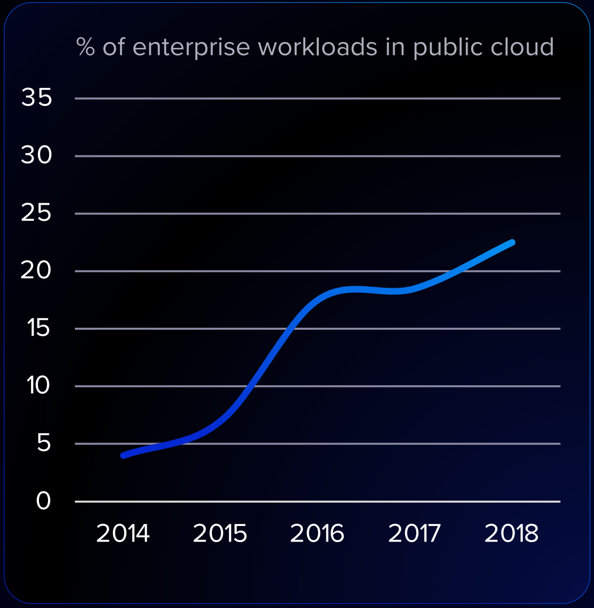
The modern monolith: shift to cloud

“One throat to choke”

Adobe salesforce ORACLE

SAP jda. Manhattan Associates.

INFRASTRUCTURE



Cheap Capital & Cloud: **an explosion of choices.**

COMMERCE

ALTERNATE COMMERCE ECOSYSTEMS
shopify, BIGCOMMERCE, KIBO, fabric, VTEX

ORDER
fluentcommerce, aptôs

PIM/PXM
akeneo, INRIVER, SALSIFY

SEARCH
algolia, adeptmind, bloomreach, miso

CORE COMMERCE
commercetools, Elastic Path, Spryker, commerce layer

PAYMENTS
adyen, Avalara, Klarna, VERTEX, ordergroove

FRONT-END DELIVERY

FRONT-END
Vue Storefront, nacelle, Vercel

EMERGING EXP
Unity, blender, UNREAL ENGINE

"DXP"
ACQUIA, Optimizely, SITECORE, uniform

MERCHANDISING
bloomreach, ZEBRA, XC Commerce, Talon.One

DIGITAL ASSETS
tenovos, Cloudinary, Amplience, bynder

"CORE CONTENT"
Amplience, contentful, CONTENTSTACK, storyblok, magnolia

MARKETING

MESSAGING & AUTOMATION
klaviyo, MESSAGE GEARS, ITERABLE, attentive, SAP

CRM
mapp, Creatio, HubSpot

CORE & "COMPOSABLE" CDP
ActionIQ, TREASURE DATA, hightouch, TEALIUM

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2018-2024
Best of Breed

MACH Mania

Build over Buy

“Every company is a tech company"

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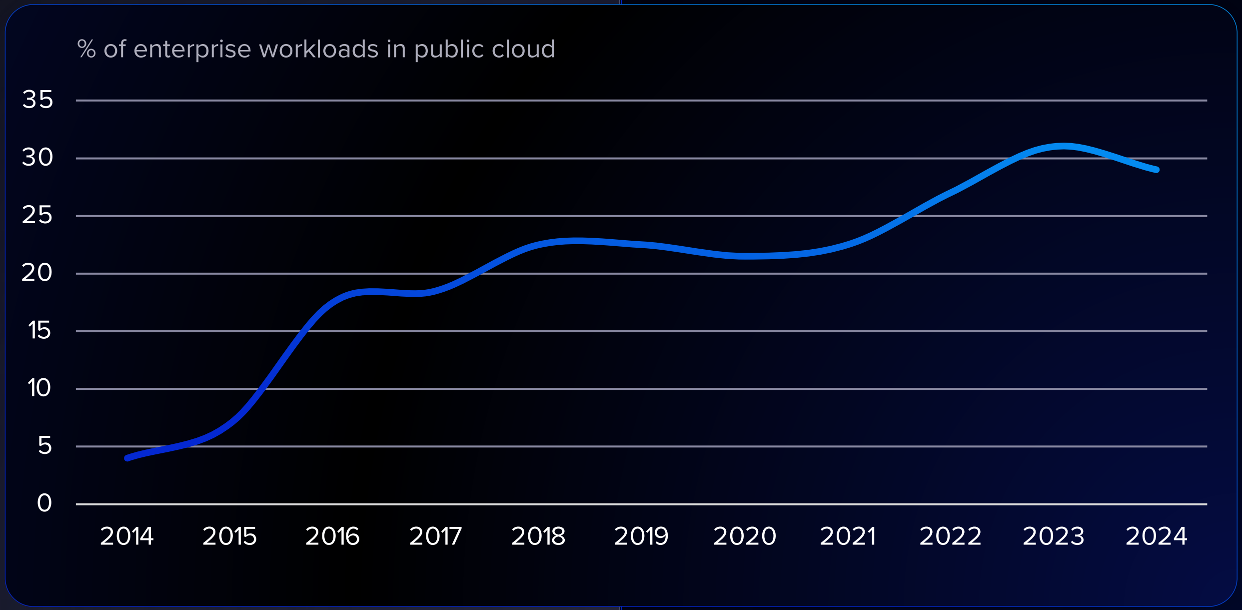
MACH ALLIANCE

INFRASTRUCTURE



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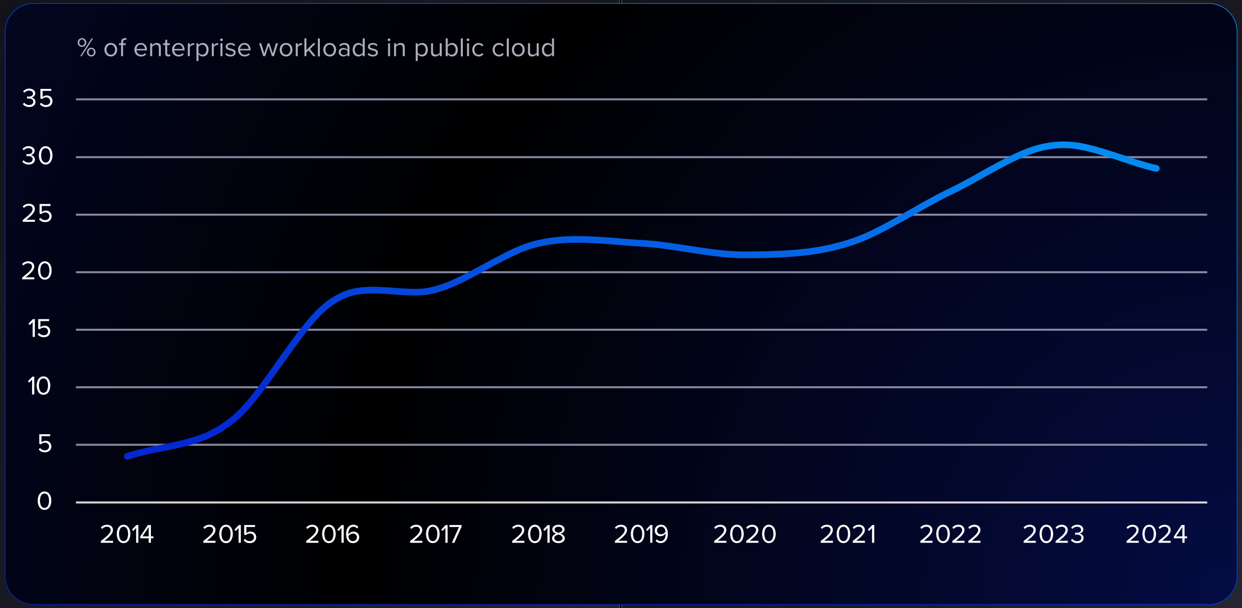
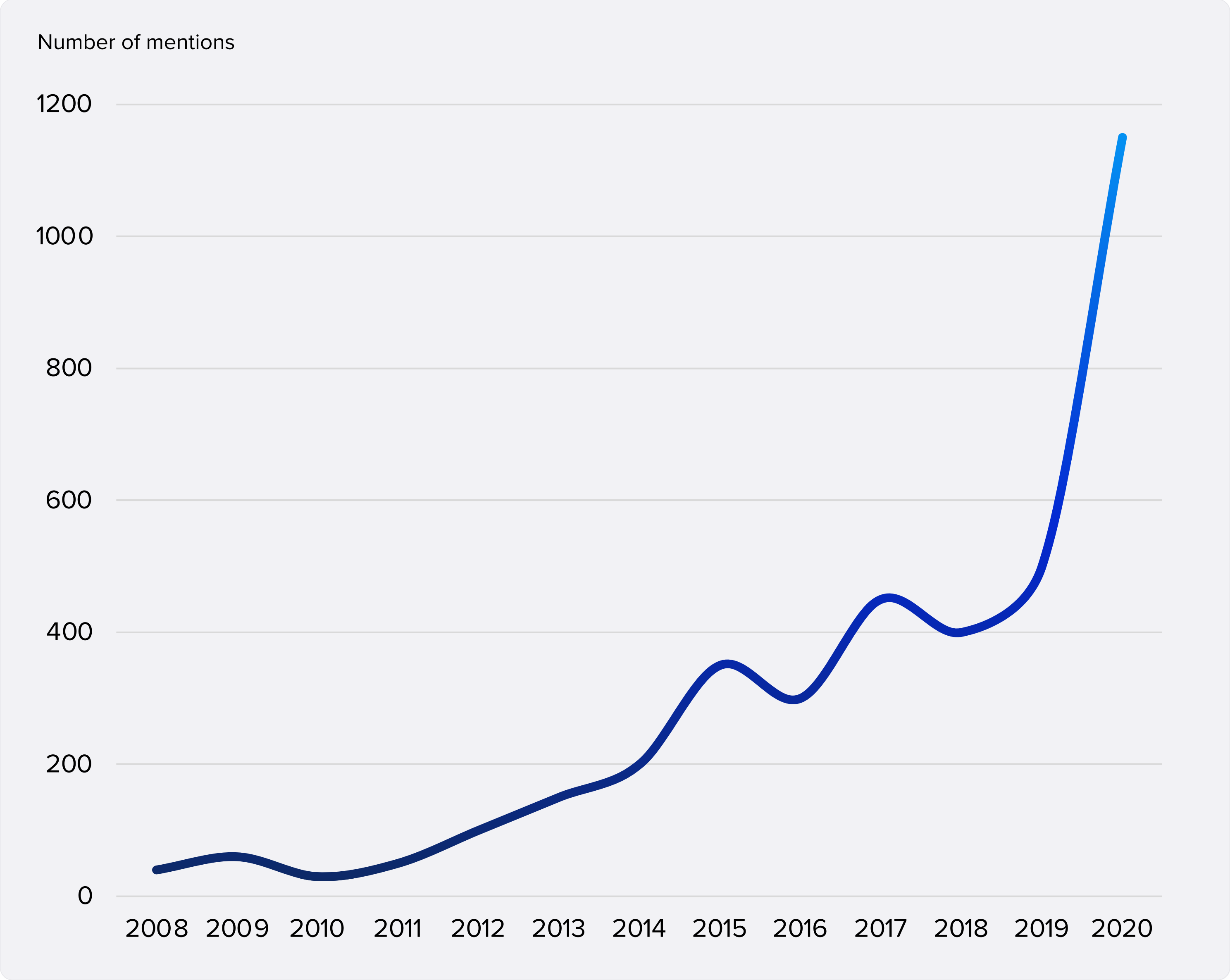


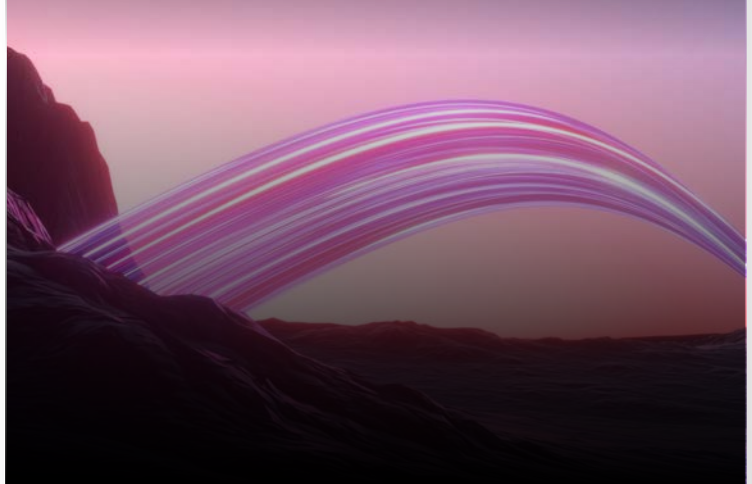
Use of the word “agility” in corporate earnings calls

Source: Merkle analysis, CB Insights



Three territories of value-driven transformation

Content Velocity & Delivery

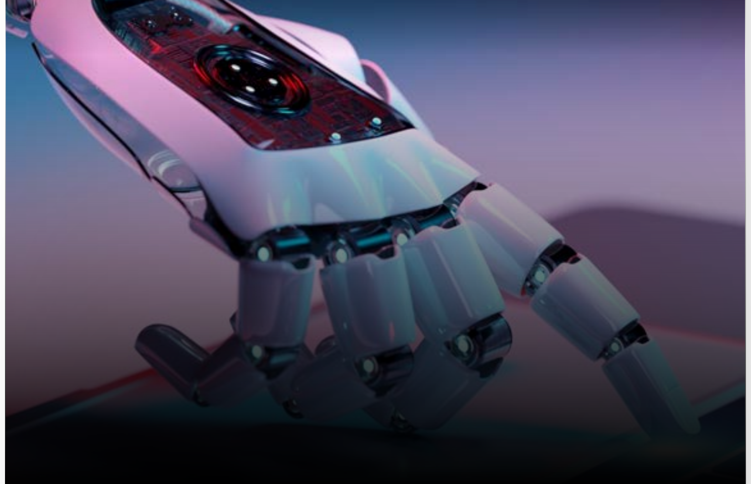


A ”modern” content value stream that services advertising, CRM, search, social, shopper, in-store assets, and owned digital touchpoints (web/app)

Future-Ready Data Ecosystems

Balancing flexible yet resilient data architectures in to support AI and enterprise orchestration, including CX, EX, and business operations

Data-Driven Commerce



360-degree view of digital shelf, merchandising and promotions, and marketing, with democratized tools to support next best execution

Four questions to ask yourself.

Can I draw a straight line from my business strategy to my capability strategy (people, process, platforms, and partners)?

Are the investments we're making in technology increasing our optionality and overall business agility?

Does my operating model – including how we fund and plan work – enable us to respond quickly if a transformative new technology emerges?

Do we have a living, enterprise roadmap, that gives us complete visibility to all our initiatives?