

# The Impact of Infrastructure Performance on Retail

## Why Retailers Need Comprehensive Monitoring to Gain the Competitive Advantage

### Introduction

Similar to just about every industry today, the retail sector has experienced considerable advances and disruptions recently. Much of these shakeups have to do with innovative new technologies and new styles for engaging with and supporting customers and their demands. But as these industries change, retailers have an uphill battle ahead of them, particularly when it comes to the management of their infrastructure performance.

### E-Commerce On The Rise

Now that online shopping has become the preference for the majority of shoppers, even the most traditional brick-and-mortar companies are breaking into the online sales arena. In fact, many retailers are electing to go fully digital, leaving physical locations behind: According to a 2017 survey from Square and Mercury Analytics, only **56 percent of omnichannel sellers** have brick-and-mortar stores.

This means that sales conducted through the company's website and other platforms like Amazon and Facebook must provide a streamlined experience for consumers, as well as seamless integration with existing stock management and POS systems. As e-commerce demands continue to grow – the sector is currently seeing 23 percent growth – managing consumer-facing digital portals and the underlying infrastructure supporting these critical touchpoints will continue to be a top priority.

### Beyond Customer Demands: Supply Chain Partnership

*“The average supply chain has a 34 percent chance of failing.”*

Infrastructure management isn't just critical when it comes to ensuring customers have a place to shop and can get their orders fulfilled. Retailers must also maintain support and top performance of the software and technology that enables partnerships with supply chain vendors and merchants. This includes engaging in efficient inventory management across the retailer's store locations, warehouses and the other locations within the supply chain.

However, as research shows, proper supply chain management continues to be a challenge, and the effects of a broken supply chain can be felt throughout a business. A study from URICA and YouGov found that the average supply chain has a **34 percent chance of failing**, and that 30 percent of all companies have experienced this struggle in the last year. Unsurprisingly, those that have failed discovered that the situation can be considerably disruptive to retail business activity.

“Often, when a supply chain goes wrong, the broken link may be some way down, or up, the chain,” URICA pointed out. “And when supply chains go wrong, the impact can be catastrophic.”

Infrastructure performance is more critical than ever for retailers seeking to support rising e-commerce demands.

### Supporting Customers And Partners: Robust Infrastructure Performance Management

Overall, retailers heavily rely on software platforms, cloud environments, databases and other crucial technology in order to enable customer engagement and support a streamlined supply chain. Everything from order fulfillment to inventory management involves essential software and infrastructure systems, and any gap in performance here can heavily impact the business, its ability to meet customer demands and its reputation with supply chain partners.

As a result, retailers must ensure that their most imperative infrastructure assets are properly monitored and supported. Granular visibility into the servers, SAN, databases and cloud environments that make customer and supply chain activity possible is a must for today's retailers. This level of insight provides internal IT workers with the details they need to pinpoint and address any emerging issues with these systems, thereby supporting top-notch performance of customer-facing and internal technology resources.

Infrastructure performance management is a top priority for retailers. To find out more about how retailers can effectively navigate this pressing need, connect with the experts at **Galileo Performance Explorer** today.