

# Conquering the back office scaries

5 monsters threatening retail success



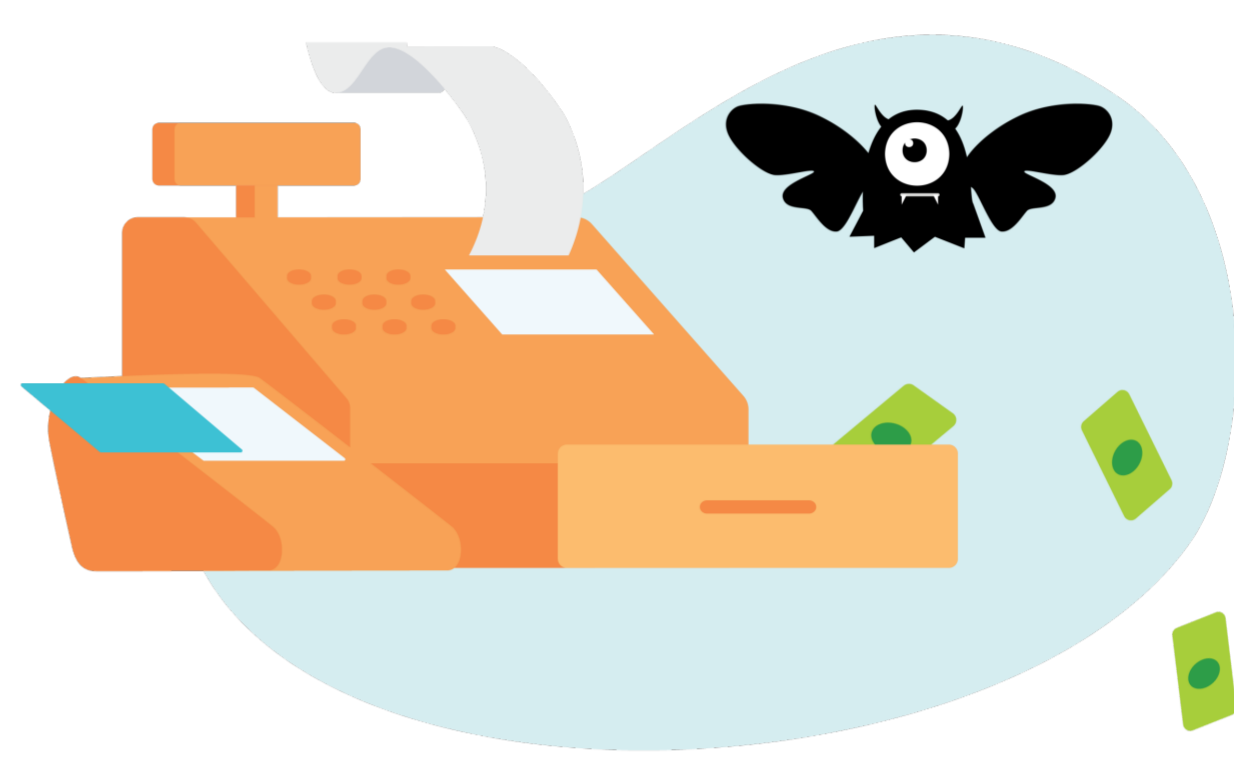
In retail's shadows, five monsters threaten growth. Real-world challenges like shrinking margins and tech hurdles abound. With smart strategies and the right collaborations, they can be tamed. Discover the data behind the scaries and insights you need to transform the monsters into opportunities.

## Margin Moth - obscuring profitability

**Insight:** Despite the surge, the silver lining lies in loyalty programs. With two-thirds of US consumers enrolled in 1 to 5<sup>1</sup> loyalty programs, the real challenge is engagement. By focusing on personalization, co-branding, and data monetization, retailers can convert membership into profits by fostering loyalty and trust.

**One strategy:** Develop and enhance customer loyalty programs with a focus on personalization, rewarding engagement, and leveraging data analytics for targeted offers. This approach not only attracts but could also retain customers by creating value that goes beyond transactions to help enhance overall growth.

**222%** increase in customer acquisition costs over the past decade has challenged retailers.<sup>1</sup>



## Stagnator - resisting tech transformation



**75%** of US consumers have experimented with new shopping behaviors during the pandemic, with a strong inclination to continue post-pandemic.<sup>2</sup>

**Insight:** Retailers may consider embracing technology, adopting an omnichannel approach and modernizing infrastructure. The significant online shift, particularly among high-income earners and millennials, underscores the necessity of integrating physical and digital stores to meet the tech-savvy shopper's expectations.

**One strategy:** Adopt an omnichannel retailing approach, integrating and streamlining the customer experience across all channels—online, mobile, and instore. Invest in modernizing your tech infrastructure to support data-driven decisions and provide a seamless, cohesive shopping journey for customers.

## Stock Gobbler - causing inventory mismanagement

**Insight:** Many businesses struggle with inventory management caused by a lack of processes. Adopting real-time, cross-channel solutions to align online and offline stock can be crucial to help ensure accurate availability across channels, prevent overselling and boost customer trust.

**One strategy:** Implement advanced inventory management systems that offer real-time tracking and analytics across all sales channels. This technology helps prevent stockouts and overstocking by accurately forecasting demand and optimizing stock levels, ensuring timely order fulfillment.

**34%** of retail businesses shipped an order late because they sold a product that was out of stock.<sup>3</sup>



## Drudge - trapped in manual processes



**68.1%** of business owners' time is spent on day-to-day tasks versus strategic planning.<sup>4</sup>

**Insight:** The shift towards digital-first retailing can be critical. Investing in automation can free up significant time, allowing retailers to focus on strategic growth and offering seamless, omnichannel experiences that today's consumers demand.

**One strategy:** Automate manual processes with apps that integrate. Find apps that work together and combine them to create the right solution for your business. Making the change requires time up front, but the investment can help improve operations, customer experience and give you back time in the long-term.

## Underminer - creating workflow blockages

**Insight:** Overcoming workflow blockages can mean modernizing the tech stack for agile, data-driven decision-making. Moving to flexible solutions can support rapid innovation and responsiveness, enhancing customer experiences and operational efficiency.

**One strategy:** Transition to flexible technology and consider specialist apps to help enhance agility and innovation. Invest in tools that can enable automations and real-time synchronization of data for better decision-making, allowing your retail business to better adapt to market changes and customer needs.

**88%** of senior retail leaders view digital transformation as crucial, with over 56% witnessing revenue growth from digital improvements.<sup>5</sup>

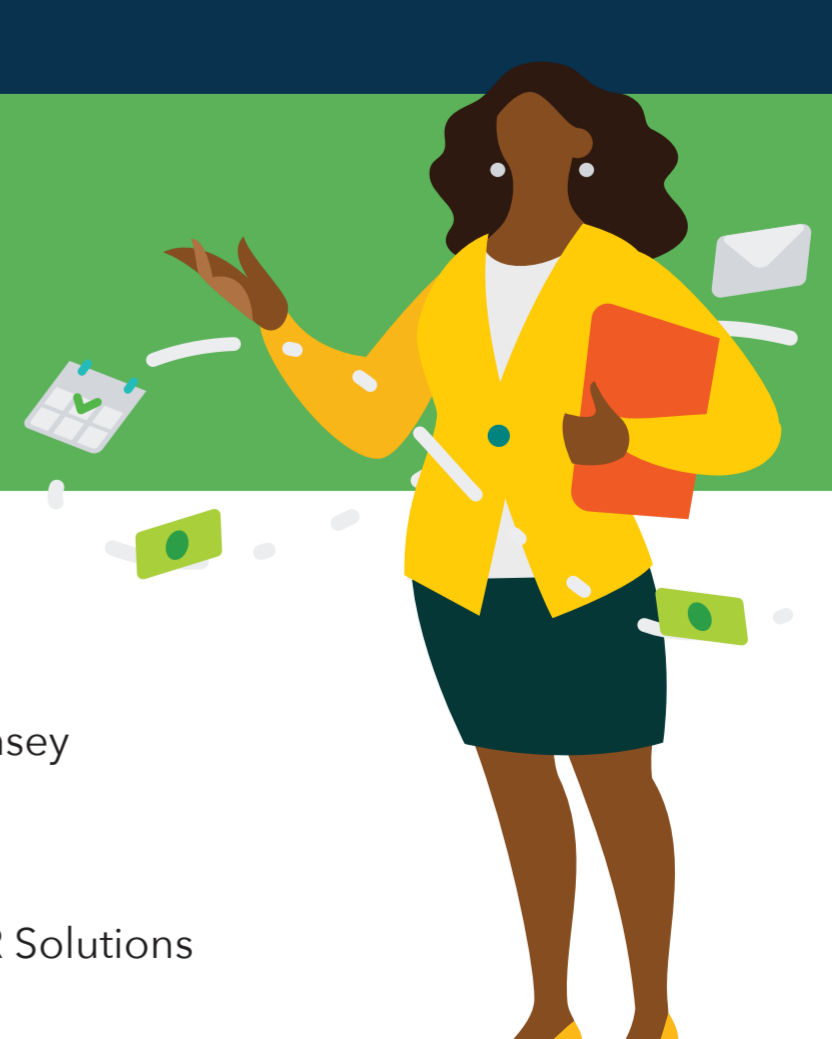


Facing the back office scaries? Don't tackle them alone. With insights and strategic actions, transform them into growth opportunities. For help in understanding these hurdles and how to deploy targeted strategies, partner with a QuickBooks Solution Provider.

**QuickBooks Solution Providers. Banish the monsters. Boost your business.**

[Learn more here](#)

Check out our [retail industry page](#) for podcasts and blogs to help you grow your business.



<sup>1</sup> 2024 Retail Industry Outlook | Deloitte US

<sup>2</sup> The great consumer shift: Ten charts that show how US shopping behavior is changing | McKinsey

<sup>3</sup> 20 Inventory Management Statistics You Should Know in 2023 | MYOS

<sup>4</sup> Time Management: New Survey Reveals How Biz Owners Are Spending Their Time | Agility PR Solutions

<sup>5</sup> Essential Digital Transformation In Retail Industry Statistics In 2024 | ZipDo

QuickBooks Solution Providers are participants in Intuit's QSP Program and have retail experience.

This content is for information purposes only and information provided should not be considered legal, accounting or tax advice or a substitute for obtaining advice specific to your business. Additional information and exceptions may apply. No assurance is given that the information is comprehensive in its coverage or that it is suitable in dealing with a particular business situation. Intuit Inc. does not have any responsibility for updating or revising any information presented herein. Accordingly, the information provided should not be relied upon as a substitute for independent research. Intuit Inc. cannot warrant that the material contained herein will continue to be accurate, nor that it is completely free of errors when published. Readers should verify statements before relying on them.

Additional terms, conditions and fees apply with tech solutions. Third-party links as a convenience and for informational purposes only. Intuit does not endorse or approve these products and services, or the opinions of these corporations, organizations, or individuals. Intuit accepts no responsibility for the accuracy, legality, or content on these sites.

© 2024 Intuit Inc. Intuit and QuickBooks are trademarks of Intuit Inc.