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The Seven Priorities for Post-Pandemic Success...

...and How PLM Can Support Them All

The COVID pandemic saw several fundamental shifts in the way fashion and textiles do business. And as the post-pandemic world takes shape, it's now becoming clear to what extent the changes of the past 18 months are going to persist. Distinct trends are now emerging that can provide a framework for how brand and retail businesses can succeed in a market that may never return to how it was before.

At one end of the spectrum, the shuttering of retail premises when "shelter in place" orders were imposed created a sudden acceleration of the transition toward eCommerce. In the space of a single year, online sales in the U.S. doubled to 22 percent of total retail sales[1] across all categories (or $1 of every $5 spent[2]). And the rebalancing in fashion was even more extreme: Established online fashion giants tripled their profits quickly when lockdowns were enforced[3], while more than 11,000 brick-and-mortar fashion stores closed in 2020 in the U.S. alone[4].

With 18 months of COVID behind us, analysts are now predicting that physical retail will reclaim some of its lost market share as movement restrictions are eased. But eCommerce is also likely to continue to pick up speed, working from a much higher baseline than before. Pre-pandemic, 11 percent of total retail sales in the U.S. were made online; post-pandemic that figure sits at between 15 percent and 17 percent[5], with indicators suggesting that U.S. eCommerce sales will be worth more than $930 billion for the 2021 calendar year[6], with apparel and accessories seeing more than 23 percent year-on-year growth in online trade.

These numbers draw the bottom line beneath a broad range of changes in consumer behavior that recent data suggest are outlasting the pandemic. In June 2021, U.S. retail sales were buoyant[7], but beneath that optimism lay real uncertainty: More than 50 percent of American consumers are still spending more time at home, close to 40 percent ▶

► are visiting physical stores less often, and more than 20 percent are considering moving out of urban areas entirely[8].

At the opposite end of the spectrum, supply chain disruption was acute during the early stages of the pandemic. And as 2020 wore on, more than 70 percent of organizations reported that COVID had had a negative effect[9] on their ability to do business. Although the disruption caused directly by the pandemic may have begun to diminish, other human crises and natural disasters have taken hold, raising concerns that holiday shopping for 2021 will be affected by logistics delays and product shortages[10]. And this may even be an optimistic outlook; component shortages in other industries, such as automotive and consumer electronics, may take years to abate[11].

At both extremes of any given fashion or textile product's lifecycle, the initial upheaval of COVID may have settled down, but it's evident that permanent alterations are being left in its wake.

This has created a clear, compelling business case for investing in technology that tackles the lasting challenges from both ends. Brands and retailers have begun to prioritize product information management (PIM) and integrations that offer a smoother onramp from product design and development to the population of online catalogs and storefronts, in preparation for eCommerce's more dominant role. And at the same time, supply chain resilience and risk mitigation has emerged as a business-critical metric[12] for brands that have now experienced firsthand the chaos that a breakdown in sourcing and distribution can cause.

But equally important for finding and safeguarding success post-pandemic will be the enterprise engines that reside in between: PLM and ERP. From serving as a data backbone for distributed workers and disconnected solutions to acting as a hub for collaboration with supply chain partners to enabling effective digital product creation, PLM in particular has the potential to deliver against brand and consumer expectations that have been forever changed by COVID.
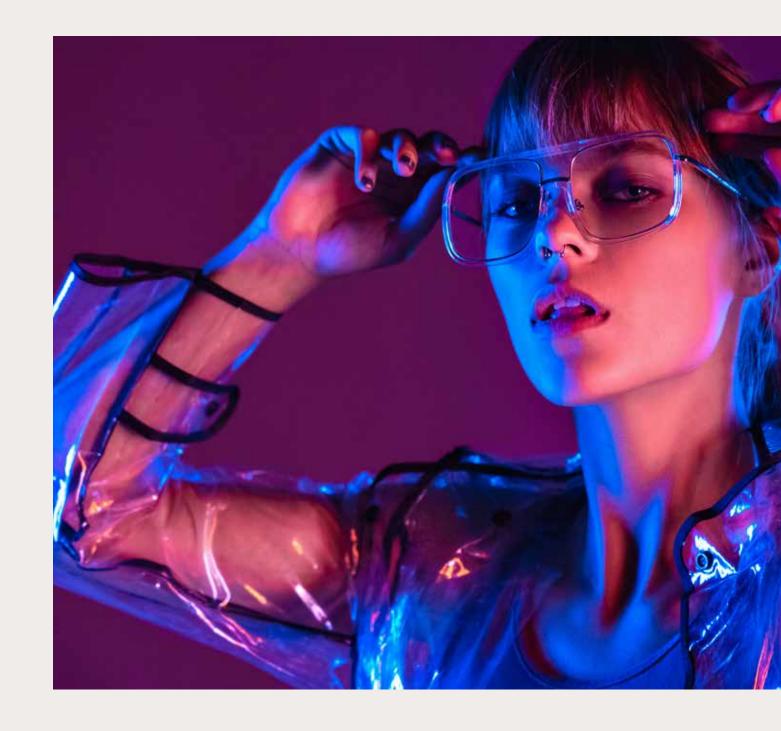
PLM: Supporting the Seven Priorities for Post-Pandemic Success

During the darkest days of the pandemic, most brands, retailers and suppliers were operating in survival mode – making decisions with the short-term continued operation of their companies in mind. In that context, both PLM and ERP provided much-needed stability for businesses that had fully implemented them in advance.

"A few years back, we determined that online was going to be the major force in the industry, and we revamped our entire warehouse and ERP system to process tens of thousands of drop-ship orders daily," says Sam Shamie, President of Delta Children, a longtime CGS customer. And this degree of preparation is what allowed the brand to weather COVID disruption as well as any organization could. "We didn't know when the world was going to be 'back'," Shamie adds. "We didn't know if business would continue, and there was a complete lack of clarity about the future. But we just put things in place as best we could."

Today, as COVID begins to settle into the background, organizations are looking longer-term. After coping with the unprecedented changes of 2020 and 2021, those that have previously implemented PLM are looking to scale their use of it, with a majority of brand and retail businesses aiming to expand their PLM functionality this year[13]. And those brand and retail businesses yet to adopt PLM are now re-evaluating how its core capabilities of data consolidation, process integration and optimization, and supply-chain wide collaboration, combined with its potential extensibility, can support the following post-pandemic priorities:

1

INTELLIGENT OMNICHANNEL RETAIL
through seamless sharing of critical product data with different channels

2

COMPRESSED TIME TO MARKET
enabled by automation, workflow, critical path and inter-department collaboration capabilities

3

AGILITY TO PIVOT TO NEW (AND POTENTIALLY UNEXPECTED) PRODUCT CATEGORIES
supported by flexibility and configuration in design and development functionality

4

CONCRETE COMMITMENTS TO SUSTAINABILITY
with supplier scorecarding, smart material planning, sample reduction, transparency and accountability

5

SUPPLY CHAIN CONTROL AND COLLABORATION
unlocked through secure, gated access to live technical specifications, fit comments and other communication among technical development, sourcing and suppliers

6

SMART WAREHOUSING AND INVENTORY ALLOCATION
created by intelligent planning and distribution processes, built on integrations between PLM and ERP

7

RAPID ACCELERATION OF DIGITAL PRODUCT CREATION AND 3D DESIGN
delivered through bidirectional integrations among product data, color and material libraries, as well as other essential elements of building digital prototypes, samples and visualizations

While dedicated solutions are being applied to both upstream supply chain and downstream retail processes, each of these priorities is also reliant on accurate, centralized and real-time product data and technical specifications – as well as on the platform that houses those assets, acting as an engine for integration between focused, process-specific solutions, such as 3D simulation and shop floor control.

This places PLM and ERP at the core of not only the toolsets that allowed forward-thinking brands such as Delta Children to survive the pandemic, but also at the heart of post-COVID growth ambitions and new opportunities. Provided, of course, that the PLM platform in question is up to the challenge.

Finding a Futureproof PLM Platform

As a direct consequence of its importance to both short-term business continuity and future priorities, PLM has rapidly emerged as one of the most vital investments of the post-pandemic era. But all PLM solutions are not created equal, and just as clear and present challenges and long-term strategic objectives can be supported by the right PLM solution, they can be undermined by the wrong one.

But what does a futureproof PLM platform – one that's prepared for the demands of post-pandemic brand and retail business – look like?

Modern, Affordable Architecture

It should be built on a modern architecture to reflect the variety of different modes of deployment and models of working that are likely to characterize the future of work. The right architectural fit will be essential in a world where a predicted 20 percent of the U.S. workforce is shifting to remote roles[14], and where Gartner research suggests that "the proportion of IT spending that is shifting to the cloud will accelerate in the aftermath of the COVID-19 crisis."[15]

In essence, whether they work in design, technical development or sourcing, brand and retail resources now need (and many want) to be able to work effectively from wherever they are, making truly cloud-native solutions and secure remote access for in-house teams and overseas suppliers essential. At the same time, the bottom-line impact caused by COVID will potentially see many brands and retailers looking to spread the costs of recovery – a concern that affordable, subscription-based SaaS PLM can support.

Modular and Customizable

The right PLM platform will also be modular and configurable, allowing users to adjust their working environments and businesses to deploy functionality, add new product categories, adjust dashboards/views and much more in a low-code environment.

3D Ready

PLM that's ready for the demands of the digital-native consumer will also need close hooks with the 3D design and simulation tools. These technologies are increasingly being used to not only stand in for physical prototypes and samples, but to create assets that are then used to sell-in to both wholesale and retail customers. They are also used to power augmented reality experiences and even unlock the sale of digital products.

Seamless Integration

A futureproof PLM platform will also be designed to support integration to a wide variety of solutions and services through open application programming interfaces (APIs) and web standards, rather than bespoke integration. From PIM to supplier management, productivity suites to messaging services, PLM's centralized repository of key product data must be able to be seamlessly synchronized among the raft of different solutions that make up the modern enterprise ecosystem – without customization.

"We recognize that our customers' post-pandemic plans rely on universal access to product data, and on having the confidence to implement new cutting-edge solutions like those created by CGS, knowing that configuration, integration, and remote access are catered for as standard. For CGS, and for the industry as a whole, PLM represents everything the future of technology should be." Paul Magel, president of Application Solutions division at CGS

Using PLM to Connect
the Extended Enterprise

As brand and retail businesses re-evaluate their priorities post-COVID, several key themes have emerged that transcend the seven priorities we have already identified. Organizations are seeking to efficiently manage product quality and costs, improve supply chain visibility and respond better to consumer demand. They want to ensure their operations are ready to meet consumers and collaborate with suppliers in ways that look dramatically different than how they looked in 2019.

As powerful as PLM is in isolation, the right platform also has the potential to connect different applications and different areas of the extended enterprise – to unlock additional opportunities and add value, and to further shore up operations against unforeseen disruption.

By integrating PLM with ERP, brand and retail businesses can take further steps to redesign their supply chain and distribution activities. This allows brands to better respond to fluctuations in market demand, increase the efficiency of critical processes, and control costs to hone competitive advantage that goes beyond design, development and production.

In the supply chain, linking PLM with the inputs and outputs of shop floor control systems affords brands and their suppliers a shared view of the intricacies of production. From line balancing to production planning to real-time visibility into individual operations, an integration between PLM and shop floor control can equip brands with the insights they need to make instant, informed decisions. And as the digitization of both consumer and B2B eCommerce continues to ▶

accelerate, integrating PLM with wholesale platforms will enable brands to create compelling, private, digital storefronts for their retail customers. They can then populate these storefronts seamlessly with essential data, visual assets and other critical information housed in PLM.
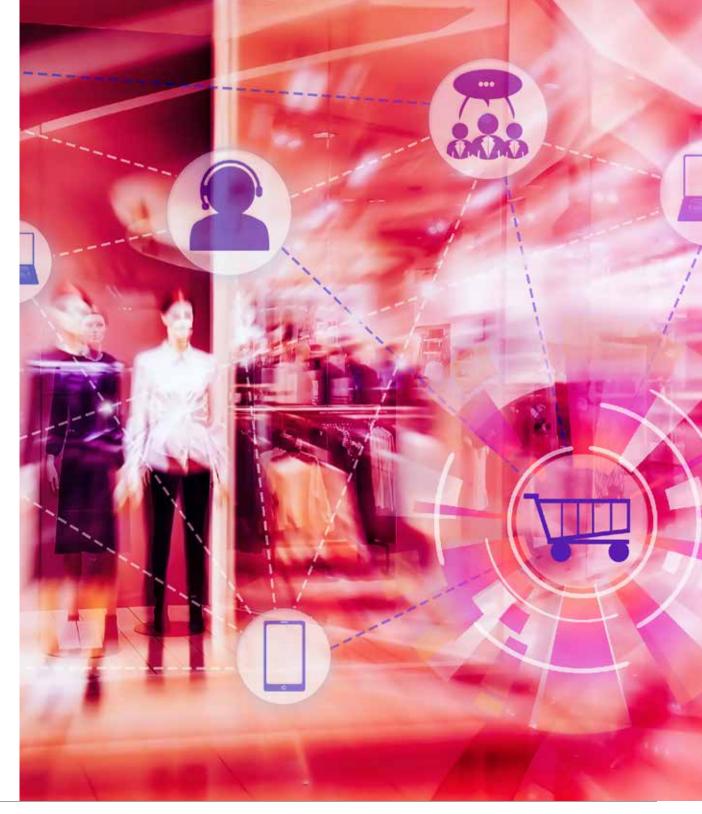
Although the worst days of the pandemic may be in the rear-view mirror, its effects are likely to be long-lasting. The right PLM platform could, therefore, be one of the most important investments you make in managing those effects and preparing for what's next – whether that means revolutionizing core design, development and sourcing processes, or integrating the wider enterprise IT ecosystem with a single source of accurate, actionable product data.

Making the most of PLM in this way is a journey that some of the world's best-known brands have already been on, and they have found the support of technology from CGS – across the entire solution portfolio from PLM and ERP to warehousing and visibility onto the factory floor – essential to being ready for whatever a changed world brings their way.

Whether your business is looking to:

1 Create a multichannel retail strategy

2 Improve time to market

3 Build-in the agility to pivot to new product types

4 Back up sustainability statements

5 Organize and orchestrate a connected supply chain

6 Establish smart inventory networks

7 Seize the extended opportunities of 3D and digital product creation

Or all of the above, BlueCherry Next™ PLM and the broader BlueCherry Next suite is a digital-native, intuitive, fully integrated environment capable of providing full control over the concept-to-consumer lifecycle.

For over 35 years, CGS's BlueCherry® Enterprise Suite provides clients with a powerful, comprehensive set of tools to drive their fundamental business processes. With a community of 500+ customers, 250,000+ active users and implementations in more than 20 countries, we've built and actively facilitate a collaborative network of CGS experts and client users that's unmatched in the industry.

250,000+	20+	500+
250,000+ users worldwide	Present in 20+ countries	A community of 500+ customers globally

Focusing on the needs of high-growth organizations operating in the consumer lifestyle products and retail industries, our solutions have the built-in capacity to address the needs of all core management, planning, product development, manufacturing, logistics, finance and sales functions.

A flexible solution that is available in the cloud and on-premises, **BlueCherry Enterprise Suite** empowers omnichannel businesses globally with over 600 integration partners ranging from 3D product development, retailers, eCommerce, logistics, third-party warehouses, and manufacturing facilities.

With end-to-end capabilities, the BlueCherry Enterprise Suite includes:

- Product Lifecycle Management
- Enterprise Resource Planning
- Shop Floor Control
- B2B eCommerce
- Omnichannel Warehouse Mgmt.
- Omnichannel Merchandise Planning
- Business Intelligence
- Business Integrations

TRUSTED BY THESE AMAZING COMPANIES

CGS®

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