



HOW HEADLESS ARCHITECTURE ALIGNS BUSINESS OBJECTIVES & IT FLEXIBILITY

WEBINAR: EXECUTIVE SUMMARY
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WHAT IS IT ALL ABOUT?

Composable commerce, headless commerce, and MACH (micro-services, API-first, cloud native SaaS, headless) are all recognized terms in today's world of commerce — B2C and increasingly B2B. For many leading ecommerce businesses, getting on top of these topics is now a priority. As the pandemic has highlighted, the need to pivot quickly to market

changes and keep their customers engaged, is greater than ever before.

But what is headless? What is composable commerce? How does it all tie together with the broader MACH ecosystem to enable 'commerce from anywhere'? In a fascinating panel discussion, our experts described the opportunities and challenges, as well as the 'what' and 'how' of today's headless architectures and composable commerce.

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WHERE DO 'HEADLESS' AND 'COMPOSABLE' FIT IN AN INTERCONNECTED ARCHITECTURE?

Composable commerce is described as a strategy, a philosophy, an approach that takes your ecommerce from 'best of breed' to 'best of need'. This composable approach unites headless commerce with all the other components of MACH.

Headless is the H in MACH. It is where the front-end architecture enabling customer-facing functionality via multiple 'heads' (website, voice, kiosk, mobile app, store, in-car marketplace shopping, etc.) is decoupled from back-end commerce and transactional functionality,

While headless is perhaps better known than the other elements of MACH, they are all important components on the journey from monolithic architecture-based ecommerce to an interconnected architecture enabling truly seamless omni-channel strategies. For example, a single API layer gives you the freedom to easily connect multiple front ends with the underlying system. Microservices and cloud native, along with APIs, are the tech stack that underpins the composable strategy, empowering businesses to deliver new experiences, quickly and flexibly.

HOW DOES HEADLESS/ MACH ENABLE AN OMNICHANNEL STRATEGY?

In the world of content management, headless allows 'reuse' where you create once, publish everywhere (COPE) across multiple channels. A MACH approach is also about velocity and scale, where companies can scale content production to deliver personalization, contextual experiences, etc. And it enables agility, where the business can innovate and change quickly.

For bricks and mortar retailers, MACH offers an opportunity to compete with pure online players by rapidly creating an omnichannel experience that didn't exist before, such as enabling online returns in store, and mixed baskets of online and instore in a single basket! The ability to consolidate inventory across channels and support customers in their omnichannel journeys are also driving a MACH approach.

HOW DO YOU BUILD A BUSINESS CASE?

Focus on what you are trying to achieve for the customer. Ask what your investment in composable/headless/MACH will enable you to deliver to your customer that you haven't been able to deliver in the past few years?

Is your old monolithic platform stopping you competing with more digitally advanced/digital native competitors? To answer this you need to understand your technical maturity and build the business case on what a more modern commerce architecture will enable you to do. What you do first as you evolve into a composable architecture is important if you're going to realize an immediate business benefit. What will deliver the quickest ROI? The business case won't necessarily be about saving costs in the first year, but about how your composable approach might generate more revenue and conversions, or whether it will resolve a specific business pain that your legacy tech stack can't deal with.

WHY SHOULD YOU THINK DIFFERENTLY ABOUT RE-PLATFORMING?

Re-platforming is a scary prospect both from a cost perspective and in terms of the huge amount of resource/time it can take. So, it's time to think about it differently. Re-platforming no longer has to be a viewed as a 'big bang' re-platforming project. The beauty of composable commerce and the MACH stack is that you can transition in small sprints, mixing up your legacy and new tech so that you

can transform at your own pace, service by service. This also reduces your risk.

You can implement new UX changes faster since you don't have to redeploy a back-end system when working in a decoupled environment. This is about understanding where you are going and drawing up roadmaps to get you there so that you can move forward incrementally. You might start by transitioning a specific brand to a headless architecture, or with a milestone in mind, such as a seasonal surge, a new mobile app launch, or a new product set. Then iterate, test, and learn before moving on to the next brand or product milestone.

HOW DO YOU ALIGN YOUR IT AND BUSINESS STAKEHOLDERS?

It's important that IT doesn't leave the business behind because it's the business users who are the drivers. So, don't go headless without ensuring the business has a good experience of managing it! For example, if you're a company with multiple brands or sites, take just one of them and showcase a composable approach to demonstrate its value to the business. There is also a big mindset shift that is important in the move to headless. While technology is the foundation, people must change to accommodate this. The speed at which you can test, learn, and iterate is so vastly different to the costly technology changes of the past, that senior management must now set a vision and governance strategy for allowing teams to work independently. This is about democratizing change and pushing the problems down to the people most able to fix them.

WHAT IS THE ROLE OF SYSTEMS INTEGRATORS (SIS)?

SIs have a key role in the move from legacy to composable and MACH in partnership with the tech vendors. This is a

paradigm shift. You're swapping the internal complexity of a monolith with the external complexity of a multiple vendor landscape. Thus, the knowledge economy changes when you move to MACH because instead of everything coming from one vendor, you have multiple vendors that you need to have knowledge of. A good architect/SI will be a trusted advisor able to orchestrate all these elements and provide a blueprint of the right vendor make-up for different sets of circumstances. They should be someone who has done it before and knows all the 'gotcha' moments that they can share with their customer.

Further, your tech vendors need to recognize that these are new technologies (although not necessarily new concepts) and they should build relationships with the SIs to train and support them so that they can deliver the best possible solutions. At the same time, the SI needs to have broad oversight to be able to merge legacy and new MACH technologies because there will be situations when the two coexist as you evolve towards a composable approach iteratively.

WHAT BEST PRACTICES SHOULD YOU CONSIDER?

Remember that it is not just about the technology and good SIs with experience of MACH architecture. You should also involve the business teams — the end users.

It also shouldn't be seen as a one-off project but rather as an evolving journey that is never finished. That's because a MACH approach allows you to keep innovating, changing, and testing, so it depends on your roadmap and where you want



to get to. In this instance, a MACH approach enables you to fail fast and move forward.

Another best practice is to measure often and give feedback to the business. If you deliver change in increments, you can report back on each stage and measure the KPIs as you move forward. If the KPIs have an impact on your top line, the business will be happy and continue to invest in further changes. So, measure your successes and report back on them in ways that the business can understand quickly.

Minimal Viable Products (MVPs) are very much part of the composable and MACH story. But start small, start fast, and keep agile. Customizations and extensions are no longer dirty words or things that should be feared. Rather these platforms are designed to be extended. However, don't start your project by extending; get started by using pre-built (out-of-the-box) functionality as much as you can and keep things as light and simple as possible to test, learn and move forward quickly. You need quick wins to keep business spirits up and get an understanding of what can be done on the platform.

IF HEADLESS IS UNENDING, HOW DO YOU STOP IT BECOMING A BOTTOMLESS CASH PIT?

This ties us back to the earlier re-platforming story. Moving to a composable approach should not be viewed in the same way as a big ERP transformation. Projects have changed — you release gradually and get wins that yield a return or drive revenue. So, don't think of it as a money pit, but as a means to enable innovation, CX transformation, improved productivity, etc. There is also the argument that strategy and markets constantly change so the business needs a commerce platform that constantly changes too. Yes, it's endless, but it is about driving new revenue opportunities.



HOW MANY COMPONENTS SHOULD YOU HAVE IN YOUR COMPOSABLE STACK?

In a monolith you didn't have to think about this but in a composable architecture you can have hundreds! However, there are a core few that you will always want to include. Order management is the bedrock of every good implementation. Then the rest of your core foundation will be your cart management system (CMS), search, and payment provider. Beyond that it depends on your use cases, with composable giving you the freedom to choose and evolve.

IS HEADLESS JUST FOR B2C OR IS B2B MOVING IN THE SAME DIRECTION?

Headless in B2B is growing as businesses come to the realization that their existing platforms aren't meeting their needs. There is a growing consumerization of B2B in the commerce space with companies craving a consumer-like experience, e.g., with real-time stock availability. While the value proposition and complexity are different (hierarchy, pricing, data model, etc.), ultimately the outcome sought is the same, which is to sell a service or product.



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