

Helping retailers on their journey into the cloud



Cloud computing is just the next step in the IT evolution, says Richard Goodley, MD at Davidson-Richards. The ability to manage your entire retail operation from a single cloud based solution makes real business sense.

Back when the car started to replace horses, such was the level of fear, by law a person had to walk in front of the vehicle waving a red flag to warn of its approach. In much the same way, in the early days, there were both rational but mostly irrational fears surrounding e-commerce, EFT chip and PIN and internet banking. People mistook a lack of understanding of the technology for the greater chance of fraud than really existed. As understanding grows so do levels of acceptance. For cloud computing, this should also end up being the case as; after all, progress can't be ignored. The car now has purpose-built roads to run upon, safe for pedestrians and passengers alike. E-commerce and internet banking arguably reduces the opportunities for most fraud, committed by human beings stealing card details. In a similar way, it is inevitable that all computing will end up in the cloud. This transition may take many years and go through several stages, but it will happen.

Today, just as most people use smart devices (mobile phones) for communications services and applications without the need to know what's running in the background nor host their own telephone exchange, so it will become the case with business applications as the move to the cloud accelerates. It's illogical for individuals and organisations to have to pay for the implementation of expensive IT infrastructures and ongoing maintenance if this can be outsourced to a reliable third party at a much lower cost. This makes complete sense for retail systems too. Recognising these realities, in 2008, Davidson-Richards began co-developing OpSuite, our cloud-based HQ solution, knowing that migration to the cloud is the inevitable end-point for business applications, but also acknowledging that this is a staged process. In retail, in our view, it's not yet the best option to take in-store systems and host them in the cloud. The store/s must always be able to function as the main point of interaction with the customer because they are the main source of revenue. That's why OpSuite is currently focused on managing headquarters operations in the cloud whilst still connecting with the Microsoft in-store PoS solutions, Microsoft RMS and Microsoft POS 2009. Perhaps this hybrid approach

will remain the case for many years to come until service providers can guarantee 100 per cent uptime and entirely seamless connectivity.

IT retail systems should help you run your business better; making your life easier not harder and allowing you to get on with what you do best - retailing. As was the case with internet banking and e-commerce, there are also rational and irrational fears around cloud computing in retail. Concerns over the data's security being hosted off-site are often voiced. OpSuite is housed at Rack Space, the leading cloud hosting and online storage provider. Their extreme measures in place ensure data is secure and protected against the threats of theft, fire and floods. Hosting your data in such a secure environment is far safer than when held locally on-premise. Connectivity is not an issue with OpSuite; with your office being wherever you are with internet connection from anywhere in the world 24/7. Communication speed and data processing is truly real-time between the store/s, back and head office. It's the same technology already transmitting over 46 per cent of the UK's entire daily grocery transactions. OpSuite removes the need to buy and run back office servers typically needed for most retail IT systems. The time and expertise needed to maintain this infrastructure also disappears. Executive dashboards and alerts provide real-time critical business information for your entire team; for better decision making and effective communication with management, suppliers and peers - making them more not less productive. The journey to the cloud is all about progress and trust. It would be commercial folly to try to make clients move faster than they feel comfortable doing; likewise it could be disastrous to ignore the cloud as we continue to progress and adapt. We feel entirely confident that today's hardware and software is capable of facilitating businesses' move to the cloud; now it's all about building trust. There are cultural differences too. Cloud adoption in the US, for example, is already much higher than in the UK and across Europe. So while several hundred US retail outlets are already using OpSuite, we have chosen to hold the EU release until 2011. When thinking about cloud computing the phrase "there is nothing new under the sun" springs to mind. If we take the approach of acknowledging the process and managing the pace, then cloud computing and businesses taking advantage of it will flourish.

Whether a solutions partner or retailer, see OpSuite from Davidson-Richards at the Retail Business Technology Expo, 16-17 March 2011, Earls Court 2, London on Stand 435 and at the Microsoft Theatre. www.opsuite.co.uk