

Knowledge Brief

Quadrant Knowledge Solutions

Radial is a Leader in SPARK Matrix: Omnichannel Order Management Systems, 2021



2021
SPARK MATRIX
LEADER

Omnichannel Order
Management Systems

An Excerpt from Quadrant Knowledge Solutions
"SPARK Matrix: Omnichannel Order Management Systems, 2021"

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Omnichannel order management systems (OMS) help retailers manage and fulfill complex customers' orders efficiently in an omnichannel environment to improve the customer experience. An omnichannel OMS provides unified visibility of enterprise inventory from warehouse, distribution center, store, and in-transit locations while performing complex order routing to enable efficient order fulfillment from the optimum location. The omnichannel order management system includes a configurable workflow engine to orchestrate and optimize the complex order processing, management, and fulfillment processes to ensure efficient order fulfillment at minimum costs. Omnichannel OMS systems are increasingly becoming an integral part of omnichannel retailing and are integrated with digital commerce, POS, supply chain planning and execution systems.

While retailers generally get inventory visibility through RFID tagging, an integrated omnichannel order management system helps to gain real-time holistic visibility of enterprise inventory from a range of sources, including warehouses, in-store, in-transit, distribution centers, fulfillment centers, and third-party inventory. Omnichannel OMS systems often connect with retailers' networks, external systems, and enterprise applications to synchronize inventory status and provide consolidated views of real-time enterprise inventory across channels in one place. Retailers can manage their vendors, store networks, and customer orders at a single place to optimize order fulfillment in an omnichannel environment. The system allows retailers to build rules based on the business requirements and operational constraints to gain real-time calculations of inventory availability and available-to-promise (ATP) for omnichannel management. Omnichannel OMS systems provide the capabilities to orchestrate order fulfillment across the network of channels and perform intelligent order routing to determine the optimum route for order fulfillment optimizing cost and fulfillment time. Additionally, the OMS system with centralized visibility of enterprise inventory and customer orders enables retailers to handle complex sourcing scenarios and return management processes for efficient fulfillment strategies.

Quadrant Knowledge Solutions' research [SPARK Matrix: Omnichannel Order Management Systems \(OMS\), 2021](#) includes a detailed analysis of the global market regarding short-term and long-term growth opportunities, emerging technology trends, market trends, and future market outlook. The study

provides a comprehensive market forecast analysis of the global market. This research provides strategic information for technology vendors to better understand the existing market, supporting their growth strategies; and for users to evaluate different vendors' capabilities, competitive differentiation, and market position.

The research includes a detailed competition analysis and vendor evaluation with the proprietary SPARK Matrix analysis. SPARK Matrix includes ranking and positioning of leading omnichannel OMS vendors, with a global impact. The SPARK Matrix includes analysis of vendors, including Aptos, Blue Yonder, Deposco, Digital River, enVista, Fluent Commerce, IBM, Kibo, Manhattan Associates, Mi9 Retail, OneView Commerce, Oracle, Proximis, Radial, Softeon, Symphony RetailAI, and Tecsys (OrderDynamics).

Market Dynamics and Trends

The following are the key research findings of Quadrant's Omnichannel OMS research:

- ◆ The global omnichannel order management systems market which has posted a negative growth of (-2.3%) in 2020 is expected to grow at a CAGR of 12.3% from 2020-2025. Global omnichannel OMS vendors continue to gain significant market traction with direct inquiries from large retailers and their partner networks. The Omnichannel OMS market is expected to grow from an estimated market size of \$814.5 million in 2020 to reach over \$1.45 billion by 2025.
- ◆ The omnichannel OMS key value proposition of integrating enterprise-wide inventory and customer orders from multiple channels to provide unified visibility at a single location, workflow capability to perform order orchestration, intelligent order routing to ensure orders are fulfilled from the optimal location, and optimizing sourcing and omnichannel fulfillment scenarios are driving market growth across geographical regions and industry segments.
- ◆ Unlike traditional OMS or ERP systems, Omnichannel OMS includes a sophisticated distributed order management (DOM) functionality. DOM is designed to remove ordering and fulfillment complexities enabling automated processing of a large number and variety of orders in an omnichannel environment. DOM provides a configurable and easy-to-use workflow capability to allow retailers to seamlessly execute omnichannel

transactions to support “buy-anywhere, fulfill-anywhere and return-anywhere” without reworking with existing systems. Retailers can configure a wide variety of fulfilment rules, including buy online, pick up in-store, (BOPIS), buy online, return in-store (BORIS), ROPIS (reserve online, pick up in-store), ship to store, ship from store, ship from DC, store-to-store, and such others.

- ◆ Cloud/SaaS-based OMS offerings continue to be the most prominent trend in the global market. Most of the vendors reported that over a third of all the omnichannel OMS deployments are cloud/SaaS-based compared to an on-premise software license. Driven by the emergence of several innovative vendors with cloud-first offerings along with increasing confidence of cloud application security, cloud-based deployments are expected to be the most preferred way of deploying omnichannel OMS solution by the year 2023.
- ◆ Omnichannel Order Management Systems vendors are focusing on improving their technology value proposition by enhancing inventory visibility and segmentation, in-store technology, and leveraging advanced automation, AI and ML technologies to improve the accuracy, speed, scalability of order orchestration, intelligent routing, and optimization processes. Several leading vendors are also enhancing their technology value proposition to offer a unified and integrated commerce platform and solutions. Vendors' continued efforts in improving the awareness, and overall value proposition in terms of enhancing DOM functionalities to support omnichannel transactions are driving the adoption amongst mid-sized and large enterprise organizations beyond the retail sector.

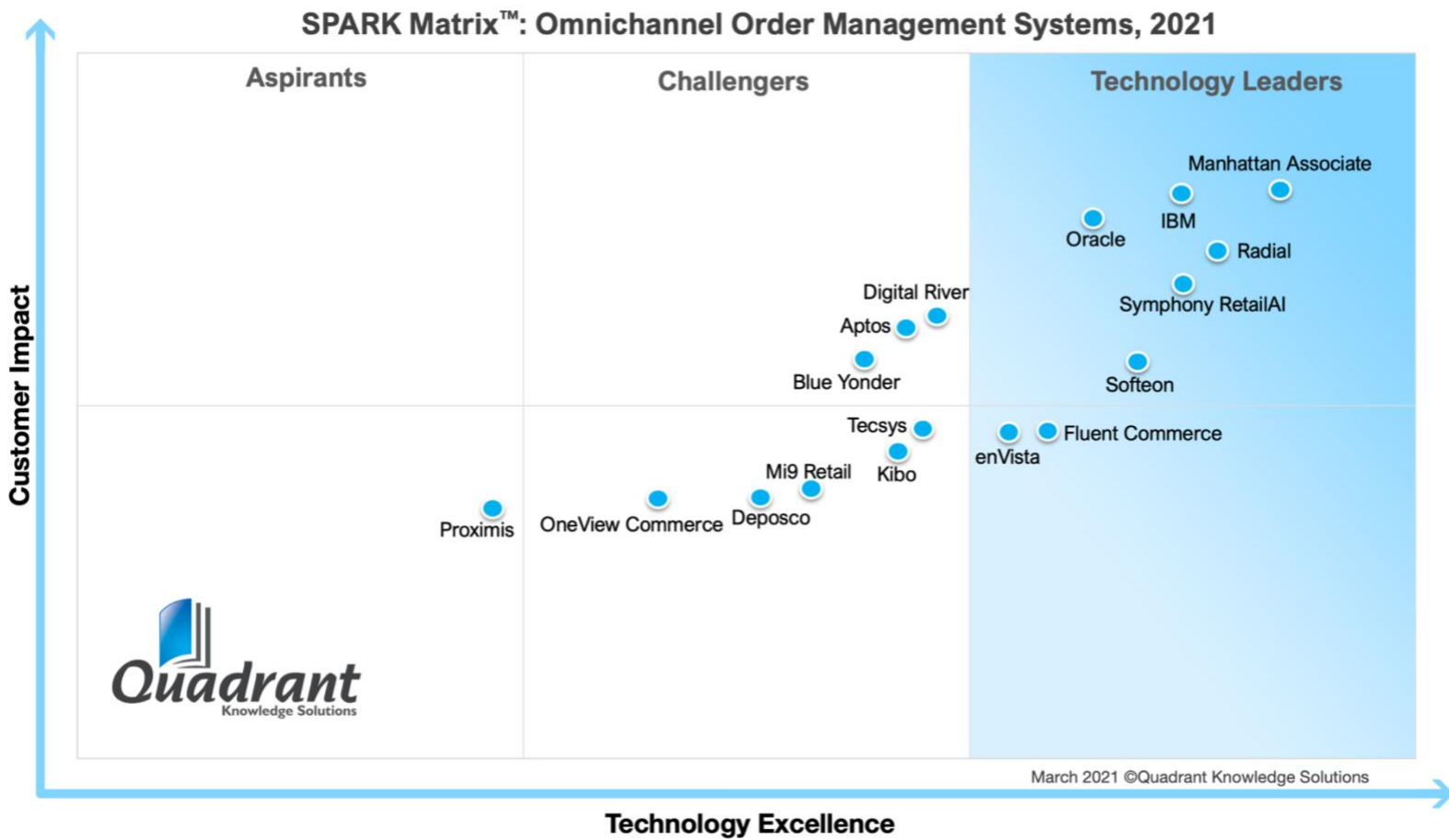
SPARK Matrix Analysis of the Omnichannel OMS Market

Quadrant Knowledge Solutions conducted an in-depth analysis of the major omnichannel order management systems vendors by evaluating their product portfolio, market presence, and customer value proposition. The omnichannel order management systems research provides competitive analysis and a ranking of the leading vendors in the form of a proprietary SPARK Matrix. The SPARK Matrix analysis provides a snapshot of key market participants and a visual representation of market participants. It provides strategic insights on how each vendor ranks related to their competitors based on their respective technology excellence and customer impact parameters. The evaluation is based on the primary research including expert interviews, analysis of use cases, and Quadrant's internal analysis of the overall market.

Technology Excellence	Weightage
Sophistication of Technology	20%
Competitive Differentiation Strategy	20%
Application Diversity	15%
Scalability	15%
Integration & Interoperability	15%
Vision & Roadmap	15%

Customer Impact	Weightage
Product Strategy & Performance	20%
Market Presence	20%
Proven Record	15%
Ease of Deployment & Use	15%
Customer Service Excellence	15%
Unique Value Proposition	15%

Figure: 2021 SPARK Matrix
 (Strategic Performance Assessment and Ranking)
 Omnichannel Order Management Systems Market



Radial Capabilities in the Global Omnichannel Order Management Systems Market

Radial is one of the leading omnichannel commerce technology and operations solution providers. They were founded in 1995 as GSI Commerce and after a series of mergers and acquisitions, rebranded as Radial in 2016. The company offers solutions that connect retailers and customers through advanced omnichannel technologies, efficient fulfillment and transportation services, customized customer care services, and intelligent payments and fraud protection. The company offers Radial Order Management (ROM), a modular SaaS-based, multi-tenant platform with capabilities for providing unified visibility of enterprise inventory and availability, robust distributed order management to perform dynamic order orchestration and intelligent routing, store fulfillment, customer care tools, dropship, marketplaces and business intelligence modules enabling retailers to provide a seamless customer experience in an omnichannel environment. The ROM provides robust capabilities and omnichannel commerce solutions to some of the largest and most prominent retailers and brands in the world.

The ROM platform's inventory management feature helps retailers to gain a real-time unified view of their inventory across all sales channels. It offers real-time inventory visibility across the entire sales process including scenarios such as checkout experience through each stage of the order workflow, in-transit inventory, available to promise (ATP) calculations, multiple levels of safety stock configuration, and inventory allocation. The ROM platform also enables inventory reservations during the consumer shopping experience to ensure orders can be fulfilled and removes the over selling and out of stock situations that cause friction.

The ROM platform includes a configurable workflow management feature that orchestrates and optimizes complex order processing, management, and fulfillment processes to ensure efficient order fulfillment at minimum costs. It manages the order life cycle across a complex network of stores, distribution centers, suppliers, drop shippers, marketplaces, and 3PLs. This includes order consumption from multiple channels, self-service order workflow configuration, order and state management, intelligent order routing based on configurable rules in which fulfillment is optimized for reduced costs, faster delivery or a combination of seller configured factors, partial and split shipments, backorders, preorders, returns and exception management.

The ROM platform offers SaaS-based distributed order management capabilities that help organizations dynamically orchestrate complex sourcing and omnichannel fulfillment scenarios from optimum locations. The ROM platform offers a comprehensive store fulfillment solution that helps retailers to optimize omnichannel fulfillment from retail stores including ship-from-store, ship-to-store, buy online, pick up (or return) in-store (BOPIS/BORIS), and such others. Retailers can make intelligent routing decisions and gain unified inventory visibility to orchestrate inventory more profitably across sales channels. The platform offers store fulfillment capability, which helps retailers flexibly and dynamically purchase, return, and fulfill the order in an omnichannel environment. It also supports various fulfillment options such as ship-to-home, ship-from-store, ship-to-store, in-store pickup, and associate delivery. The platform also allows retailers to have control over various store locations and their fulfillment options.

The ROM platform's drop-shipping capability helps retailers streamline and automate drop-shipping operations across networks. It assists retailers in expanding their product portfolio and helps test new products on the market by mitigating risk and inventory overhead costs. The platform can also facilitate order transfers to a huge supplier network of almost 26,000+ global suppliers. These suppliers can then offer quick delivery of products on behalf of vendors. The platform also offers unified visibility of supplier inventory, supplier performance analysis, real-time supplier notifications, and packing slips. The platform also offers full order lifecycle workflow enablement which allows suppliers to receive and transact orders (inventory, orders, shipments, invoices, cancels, returns, etc.) and a customer care tool.

The ROM platform offers an integrated customer care tool that helps retailers gain a centralized view of the order across the enterprise to drive personalized customer engagements. It provides key information including order history, order lookup, modifications, cancellations, refunds and credits, and appeasements. The platform's business intelligence module offers an actionable intuitive set of dashboards including a sales trend dashboard, a set of standard reports as well as a robust ad-hoc report builder, automatic report distribution, predictive analysis, and forecasting to optimize the overall operation by intelligently pre-planning.

ROM offers a set of provisioning tools that helps retailers deploy the complete suite right from the initial setup i.e. regions and modules of Radial Order Management. This process reduces the implementation timeline and facilitates a speedy deployment. The platform

allows retailers and system integrators to perform self-service integration development to test the APIs. It also provides a pre-integration framework that is compatible with top e-commerce platforms and seamlessly integrates with retailers' backend systems such as POS, 3PLs, call centers, and others.

Analyst Perspective

Following is the analysis of Radial's capabilities in the global Omnichannel Order Management Systems (OMS) market:

- ◆ Radial OMS (ROM) solution offers various integrated modules and out-of-the-box functionalities to seamlessly execute omnichannel order management across sales channels. The ROM solution's key technology differentiators include inventory & consumer exception management, speed to market for an enterprise solution, Radial unified offerings, business intelligence, and a robust experience.
- ◆ Radial offers business intelligence that provides dashboard and reports views. It also offers AI-powered predictive analysis that delivers advanced analytics with actionable insights to optimize overall inventory operations, demand forecasting, and safety stock recommendations. Radial also offers enterprise-class turnkey order management solutions with complete end-to-end eCommerce functionality and offerings such as Omnichannel order management, order fulfillment & transportation, payment & fraud management, customer care, and much more. The OMS solution supports a wide range of use cases, including multi-node fulfillment, multi-order channel management, store fulfillment & returns, global supply-chain, and multi-brand support.
- ◆ From a geographical perspective, Radial has a strong presence in the USA followed by Canada and Europe. The company is gradually expanding its footprint in the APAC market and also planning to expand in other parts of the globe. From an industry vertical perspective, Radial holds a strong customer base across industries including CPG & Retail, followed by food & beverages, healthcare & Lifesciences, and energy & utilities sectors.
- ◆ The company may face competition from relatively well-established supply chain execution leaders in North America and Europe. It may also face problems to expand its outreach beyond its current

established market. However, with its sophisticated technology platform, advanced analytics, strong customer value proposition, and comprehensive roadmap and vision, Radial is well-positioned to expand its market share in the global Omnichannel OMS market.

- ◆ Concerning product strategy and roadmap, Radial is planning to expand its market presence across the globe. In 2020, Radial added more than 40 new clients to its portfolio and launched new fulfillment centers in North America and other areas across the globe. Atlanta is one of the largest and highest volume centers in the newly added Radial fulfillment network. From a product enhancement perspective, Radial has designed a comprehensive roadmap to enhance its existing key capability and offerings. Radial has updated its Radial Order Management solutions and released ROM 20.2. The company is also planning to add various key features to its current solutions. Radial is also planning to include various features such as post-purchase management, fulfillment enablement, strategic enablement, user experience, and inventory optimization.