

Collaboration: the key to business growth and fast adaptability

How Sony gained the necessary agility to successfully manage the digital commerce operations of seven countries









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Ever since their establishment in 1946, Sony have strived to fill the world with emotion, through the power of creativity and technology. Along the years, this purpose materialized itself through offering groundbreaking electronics, extraordinary entertainment, and innovative services.

Finding the right partners to adapt such a bold global vision to a local setting is difficult. They would have to be fellow pioneers of the future, possess in-depth knowledge about the markets, fully understand business intricacies, and adhere to the same standards of integrity and sincerity that Sony value. In 2015, Sony decided to go ahead with VTEX as a technological partner for upgrading their Latin American ecommerce operations.

Results

Record time-to-revenue

Five stores migrated in 90 days and two additional stores built in 40 days.

Enhanced operational management

B2C, B2B2C and B2E fully-integrated across all countries.

Improved sales performance and lower TCO

An increase of 40% in the conversion rate coupled with a decrease of 60% in total cost of ownership.

Successful collaboration

Business growth and market-leading innovation courtesy of VTEX's outstanding customer service.

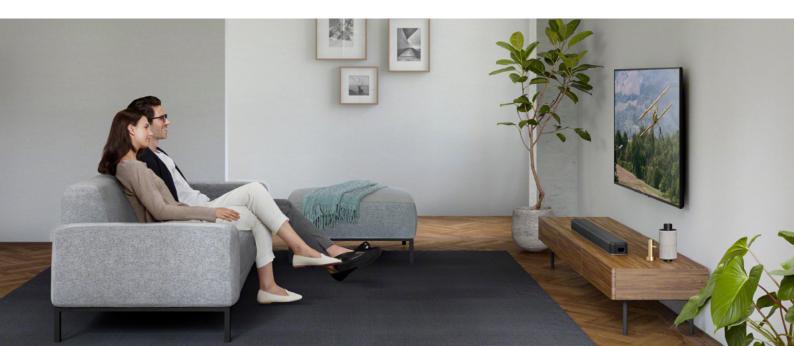


Seeking cost-efficiency and flexibility

Keeping up with rapidly-evolving consumer behavior can be incredibly difficult. On a legacy platform, maintenance is often costly. Additionally, implementing changes, big or small, is troublesome and slow. Sony Latin America realised a replatforming was imperative in order to continue serving customers' growing needs, an idea amplified by plans for a regional expansion through a resource-effective implementation model and a solution fully compliant with corporate security guidelines.

A cloud-based platform presented itself as an ideal solution. With a fully-scalable architecture, it would not only significantly reduce the total cost of ownership, but also provide that sought-after fast adaptability, a requirement in managing diverse operations the magnitude of Sony's in Latin America: seven countries, each with its own personalized needs and dedicated sales channels.

"The idea was to migrate to a cloud-based platform reducing the total cost of ownership of it. Moreover, we needed a platform that could create a sibling relationship with our institutional website without fracturing the whole customer experience, on top of offering the functionalities required in each country."





Indeed, Sony wanted a flexible platform-provider for Latin America that could attune the global vision to local demands, comply with strong security and statutory requirements, support their various business models and provide new business opportunities through innovation.

VTEX Commerce Cloud checked all the boxes for this initiative and offered tangible benefits: expertise on the regional market, remarkable business insights, and a friendly financial cost model. "With online business growth in mind, we chose the platform we thought was going to materialize it. VTEX certainly did it."

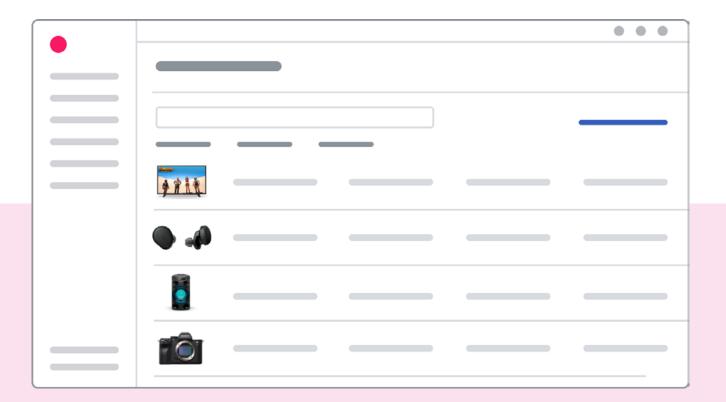
Gabriel Cabrera, Sony Latin America Digital Acceleration Director

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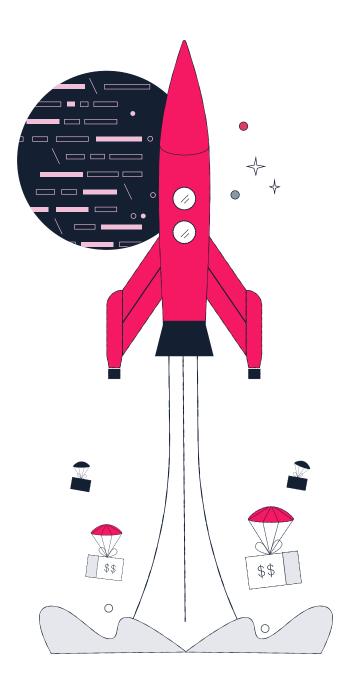
Launching ecommerce stores in record time

VTEX was able to migrate five Sony websites in just 90 days and, in another 40 days, to build two websites from scratch. Consequently, in just four months after signing a deal to migrate to VTEX, the first replatformed ecommerce store of Sony in Latin America was launched. Afterwards, the remaining six countries received their websites with rollouts every two to three weeks, a record time-to-revenue. Thus, Sony was ready to enter the big ecommerce season with a stable and scalable platform, at full speed.

"From the moment we saw a prototype of the Sony Store website, done in a very short time, we knew VTEX had a fast deployment process; an element which helped us confirm the effectiveness we wanted to achieve was there."



Powering operations with agility



From the get-go, VTEX Commerce Cloud was able to accommodate Sony's complex business demands. Their numerous and varied business models, B2C, B2B2C and B2E, are fully supported, communicating in harmony thanks to VTEX's Order Management System, which has been key in simplifying operations across all countries. Moreover, Sony's intricate inventory, based on both SKUs and Material Codes (containing information about product parts) was easily integrated using VTEX's superior Master Data capabilities.

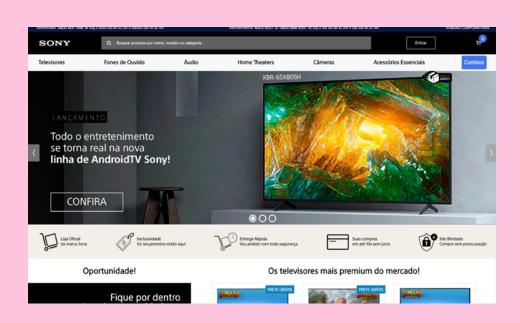
"Assembling the integration with our ERP system was not as complicated as we thought it would be, allowing us to migrate fast and work on a more business-driven platform approach."

Gabriel Cabrera, Sony Latin America Digital Acceleration Director 7



VTEX also managed to uphold the look and feel of Sony by linking all the countries' ecommerce stores to the institutional website. With the same store-front design no matter the area and with a smooth transition to the ecommerce environment through Add to Cart buttons, the entire customer journey remains almost unfractured – and certainly upgraded. Particular functionalities required in the region, such as payment in advance or payment with two different cards, are perfectly incorporated to customize the customer experience without detracting from the global vision.

What is more, the portability, robustness and flexibility of VTEX enabled market-leading, innovative business strategies. Thus, with VTEX's cutting-edge technology, Sony always had plenty of business options going forward. "We wanted to grow our business and to increase our sales, but we also wanted to lead the market with innovation. Deciding the pace of this innovation was up to us and never a limitation from VTEX as a platform. For instance, we started discussing the marketplace integration approach way before it became an important topic in the region."



Driving greater results

Results did not take long to appear. For example, Sony's conversion rate grew 40% during the first month since the migration. Great results such as this one were continuously driven by an architecture that leveraged cross-selling and up-selling and often challenged traditional mindsets. "VTEX came and broke a lot of paradigms. One of them was the SmartCheckout. It's a great and simple tool, which changed the view of our security team – they were adamant we needed to have a username and password login."



Generally, the positive trends in Sony's ecommerce operations in Latin America have been reinforced by year on year growth. Furthermore, during big retail events such as Black Friday or Cyber Monday, the ecommerce stores benefitted from stability, therefore driving sales to record figures. More recently, VTEX was instrumental in mitigating the impact of the coronavirus pandemic by compensating the losses in physical sales through ecommerce operations.



These achievements are enhanced by the fact that VTEX significantly decreased Sony's costs due to its architecture. Not only VTEX Commerce Cloud is a multi-tenant cloud-based platform, but it is also the only fully integrated end-to-end OMS-commerce-marketplace solution. This translates to VTEX Commerce Cloud being an all-in-one solution, with no hidden costs. With VTEX's on-demand pricing model based on a fixed revenue share, only the customer's success means VTEX's success.

Altogether, VTEX Commerce Cloud proved to be a future-proof, easily scalable and cost-efficient choice of platform.

"With VTEX, our total cost of ownership went down 60%."

Gaining more than just a platform-provider

Looking back, VTEX offered Sony the required tools and products to streamline their operations, grow their business and serve their customers well. But after a fiveyear successful collaboration, it is now clear that VTEX has become more than a mere platform-provider. For Sony, VTEX is a true business partner

"Knowing that you know the platform so well, knowing that you know exactly what our pain point is whenever we are failing, and also knowing you share the joy when we are truly achieving something – they make a whole difference."

Gabriel Cabrera, Sony Latin America Digital Acceleration Director



This positive dynamic is owed to VTEX's excellent customer service, which displayed unparalleled care and attention from the very first interactions. Transparency, coupled with a deep understanding of the company's business goals, ensured that the VTEX solution supported – and will always support – Sony in the best possible way.

"From the beginning, there was a lot of transparency and honesty in all communication. VTEX was upfront about what they could do and what they could not do. Always, always, always truthful. It was a decisive aspect of building a trustworthy relationship."

Drive business growth with collaborative commerce from VTEX.

VTEX is the first and only global, fully integrated, end-to-end commerce solution with native marketplace and OMS capabilities. We help companies in retail, manufacturing, wholesale, groceries, consumer packaged goods and other verticals to sell more, operate more efficiently, scale seamlessly and deliver remarkable customer experience.

Our modern microservices-based architecture and our powerful business and developer tools allow VTEX to future-proof our customers' businesses and free them from software updates.

see more at: <u>vtex.com</u>





Accelerate Commerce Transformation

