Retail CIOs: A Composable Approach Should Top Your Agenda for the Next 24 Months

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Retailers attempt to comply with customer demands for unified commerce experiences but struggle with the complexities of inventory, pricing and associate knowledge across channels. CIOs must provide unified commerce processes through a compositability approach that can support customer demands.

Overview

Using the results of our 2022 Gartner CIO and Technology Executive Survey, we identified highly composable organizations. These 150 global organizations leverage three key principles: composable thinking, composable business architecture and composable technologies.

Creating a composable business means creating an organization made from interchangeable building blocks. It features four key elements:

- Architecting for resilience and accepting that disruptive change is the norm
- Supporting a business that exploits disruption by making things modular
- Using autonomous business units to creatively respond
- Mixing and matching business functions to orchestrate the proper outcomes

This presentation compares retail responses with those of other industries and highly composable organizations. It addresses three key issues:

1. What is the status of composability in retail?
2. What opposing forces surround composability?
3. What should retailers be investing in to drive composability?

Only 4% of retail survey respondents were included in the highly composable cohort (see Figure 1).

**High Composability by Industry**

**High-Composability Ranges Widely by Industry**

Percentage of Respondents That Are Highly Composable Across Industries

![Pie chart showing retail composability](image)

On average, 6% of organizations overall are highly composable, compared to retail's 4%. While retail is not the worst on the list, it certainly has a long way to go. This is because there are opposing forces at play that can overpower your digital ambitions, such as risk aversion, underinvestment and not being first to market.

Retail CIOs can use this presentation to better understand how to drive their agenda toward supporting business composability.

This PowerPoint was first presented at Gartner's Americas Virtual Symposium, 21 October, 2021.

**Recommended by the Authors**

*2022 CIO and Technology Executive Agenda: Retailers Differentiate Through Stores but Struggle With Composability*

*Hype Cycle for Retail Technologies, 2021*
Evidence

The 2022 Gartner CIO and Technology Executive Survey. This survey was conducted online from 3 May 2021 through 19 July 2021 among Gartner Executive Programs members and other technology executives. The total sample is 2,387, with representation from all geographies and industry sectors (public and private), including 91 from retail. The survey was developed collaboratively by a team of Gartner analysts and was reviewed, tested and administered by Gartner’s Research Data and Analytics team. Disclaimer: Results do not represent global findings or the market as a whole but reflect sentiment of the respondents and companies surveyed.

The 2022 CIO and Technology Executive Agenda report segments respondents were based on self-reported extent of utilization of principles of composability. This segmentation allows a group of “high-composability” enterprises to be identified as a best practices group to contrast the performance of others.

We define High-Composability Enterprises (n = 150) as enterprises that utilize the principles of composable thinking, business architecture and technologies “widely” or “extensively throughout the enterprise.”

Low-Composability Enterprises (n = 316) are enterprises that utilize the principles of composable thinking, business architecture and technologies “not at all,” “rarely” or “somewhat.”

The Moderate-Composability Enterprises (n = 1,921) encompass the rest of the sample.