

OMNICHANNEL STORE INVENTORY AND FULFILMENT

Consumers love the value proposition of store fulfilment. The flexibility and immediacy of store fulfilment are driving significant growth in offers like buy online and pick up in store. With this growth comes the store operations challenge: meeting customer expectations while managing rising order volumes and doing so profitably.

FAST, FREE AND FURIOUS

Digitally empowered consumers are turning more and more to digitally and physically blended shopping experiences to satisfy their need for anytime shopping with fast and free delivery and easy returns. A recent survey by BRP Consulting sponsored by Manhattan Associates found that 71 percent of consumers aged 18 to 37 years of age are more likely to choose a retailer if it offers same day delivery or pickup. With this change in consumer preferences comes an explosion in the use of store fulfilment options like buy online and pick up in store, curbside pickup, ship from store for same-day delivery and more. Buy online and pick up in store orders (BOPIS) alone increased 47 percent in the 2018 U.S. holiday period (Nov. 1-Dec. 19) compared with the same year-ago period.¹

Besides creating a competitive differentiator for retailers – 55 percent of consumers will switch to a competing retailer/brand if it offers a faster delivery service – store fulfilment also offers another compelling advantage. Capgemini found that for same-day delivery, last-mile delivery costs from a store are 16 percent cheaper than delivery from a distribution centre.²

There is a great opportunity for retailers to use their store footprints as fulfilment points, particularly where speed is a requirement. But there is a major challenge to capitalising on this opportunity – stores were never designed to be mini-distribution centres. Stores are more disorderly, unlike the highly organised nature of traditional distribution centres. There are a lot of moving parts: everything is unpacked and individually displayed, and potentially hundreds of people have access to the items and can move (or remove) them with little obviation. And further, store associates are not hired to be professional order pickers. They have other jobs to do, like assisting customers. Simply, the store is not the ideal environment to manage the fast and furious environment of order fulfilment. But there are solutions to overcome the challenge, helping retailers capitalise on the business opportunities of store fulfilment.

STORE INVENTORY AND FULFILMENT: CRITICAL INGREDIENTS FOR SUCCESS

Inventory management and order fulfilment actions, such as receiving, picking, packing, shipping and staging, are traditionally reserved for the warehouse. But today, many of these actions are conducted in store, potentially overwhelming store teams with new responsibilities. Being a product or customer support expert is hard enough. But now, ask a store associate to be an expert in inventory management

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DELOITTE

CAPABILITY BRIEF

or order picking, and the potential for problems can increase quickly. When store associates become overwhelmed, not only can customer service levels decrease but also the store can start missing customer promises, like the promise of a specific order pickup time.

According to Deloitte, "It goes without saying that when consumers order something, they expect to get it. In fact, this is the most basic notion at the heart of retail. But today, consumers expect products to be available to them at any time and any location. And because leading retailers can deliver this seamless availability, anything less is a recipe for disappointment."³

Disappointment is the fear. Especially if store associates are not provided with the proper guidance to manage their new inventory management and store fulfilment responsibilities. To deliver the increasingly complex omnichannel customer experiences retailers are promising, store associates need tools to help them succeed at performing their new roles. With Manhattan Store Inventory Management and Fulfilment (SIF), that is exactly what they get.

Manhattan guides store associates through the processes and tasks of managing store inventory and fulfilment. With complete command and control of inventory and fulfilment from a single, responsive interface at their fingertips on their mobile device, store associates are empowered with the information and tools to expertly manage the rising demands of store fulfilment.

Improving the accuracy of store inventory is at the foundation of an omnichannel offering that delights customers. With mobile receiving and inventory management capabilities designed specifically for store associates, Manhattan improves the efficiency and accuracy of how associates handle activities, from store replenishment and site-to-store orders to pullbacks and transfers, whether by load, case, carton or item.

And Manhattan Store Inventory is enabled for the use of RFID data, which provides continuous and automatic updates on the availability and location of store inventory.

By optimising Store Inventory Management, Manhattan improves not only store inventory accuracy but also global inventory accuracy, thus improving sales, reducing out-of-stock risks and reducing the steps for in-store replenishment.

If inventory accuracy is mission critical, then close on its heels is making store fulfilment activities for associates as precise and efficient as possible to ensure they can deliver on customer commitments.

Manhattan Store Fulfilment provides guided control of the end-to-end store fulfilment process. Order picking can be optimised

based on store operations, processes and layouts using order, batch and advanced strategies. Associates are guided through all order picking steps using the Manhattan Store Fulfilment mobile application, eliminating the need for paper-based processes. The application also helps associates seamlessly handle pickups with staging, order search, customer verification and signature capture for proof of delivery.

With the use of RFID data, Manhattan Store Fulfilment further optimises picking by guiding associates to the location of the items to be picked.

CAPABILITIES INCLUDE:

- Viewing of inventory, with disposition for inventory on hand, sellable, awaiting check and damaged.
- Receiving merchandise in store by item, package, case or load, with support for package-level audits.
- Managing in-store inventory replenishment, site-to-store orders, pullbacks, and load, case, carton or item transfers.
- Optimising picking based on store operations, processes and layouts using order, batch and advanced strategies.
- Expediting order picking using product images, rich product descriptions and RFID-enabled item location.
- Reducing errors by scanning picked items and immediately validating if the correct item is picked and shipped.
- Enabling receipt, staging and pick up of ship-to-store orders.
- Managing customer pickups with staging, search, verification and signature capture.
- Staging, packing, shipping and tracking parcel packages.
- Reducing associate training and onboarding time with intuitive, guided flows, as well as visual progress indicators and follow-on steps.
- Providing store workload visibility with push notifications and real-time store fulfilment dashboard.

Manhattan Store Inventory and Fulfilment, part of the Manhattan Active® Omni suite, can be deployed as a stand-alone application or with Manhattan Point of Sale, providing store associates the advantage of working in the same user interface for all store functions, including checkout, clienteling and customer service.

For more information

Leverage your store inventory for omnichannel sales, and take your customer experiences to the next level with Manhattan Store Inventory and Fulfilment. Contact us today to learn more:

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1. "Adobe Digital Insights Holiday Recap 2018" (January 2019)

2. "The Last-Mile Delivery Challenge" (2018)

3. "Supercharge your supply chain with connected store technology" (May 2018)