



SUPPORTING MULTI-CHANNEL ORDER FULFILMENT

CASE STUDY

A UK brand selling apparel and accessories for mother and babies needed a warehouse and distribution operation to support rapid sales growth across its sales channels - ecommerce, independent stores and wholesale to department and chain stores.



OPPORTUNITY

Operational inefficiencies and a sub-optimal location for the warehouse, were resulting in poor customer service, late delivery to end-customers and lost sales.

Expeditors worked closely with the brand's team to design and establish a distribution operation which improved order fulfilment rates; increased customer service; and could support current and future sales growth.

OUR SOLUTION

Our first step was to use order data to model activity and delivery patterns to determine the optimal location for the warehousing operation based on the customer's desired cost and lead time. The second step focused on designing the new warehouse to maximise operational productivity in order to:

- Improve order fulfilment accuracy
- Keep costs competitive
- Support growth
- Accommodate peaks in activity both at current and forecasted sales volumes

Expeditors' industrial engineers configured the warehouse interior to support the picking profiles for each of the sales channels - ecommerce, independent stores and wholesale to department and chain stores. The implementation also included establishing electronic data interchange to accelerate data exchange as well as radio-frequency inside the warehouse to enhance the customer's visibility of order and inventory status.

Web Order Fulfilment

The operation Expeditors established enables an individual to pick up to 25 orders concurrently. Travel time was shortened by locating fast moving items in the easiest to reach locations closest to the packing stations. Picking productivity was further enhanced through gravity shelving which angles the picking carton for easy access. Picking accuracy, same-day dispatch and next-day delivery of ecommerce orders was increased and has been maintained, including during peak periods.

Independent Retail Stores and Export Orders

A similar strategy was implemented to fulfil small orders from independent retail stores as well as export orders. Scanning each item at the time of packing has reduced invoice disputes and the number of items returned. The re-use of bulk cartons has supported the brand's environmental goals.

Wholesale to Department and Chain Stores

Case pack quantities are picked from bulk storage and value-added-services (VAS) are completed in accordance with the Delivery Compliance manual for each department and chain store. The delivery requirements have been incorporated in Expeditors' standard operating procedure which the warehouse operators follow.

Activities which are undertaken in the dedicated VAS area include product relabeling, ticketing, pallet build and according to the end-retailer's specification, documentation and time delivery through either Expeditors or the end-retailer's chosen carrier.

Returns Management

Each item returned to the warehouse needs to be accompanied by a return authorisation which includes a reason code. Expeditors, follows a pre- defined process which at the time of receipt verifies the return authorisation and conducts a quality check to determine whether an item can be put back into stock. An item which has been opened and removed from its original packaging is quarantined within the WMS system and remains in a non-pick location until a member from the brand's team has inspected it and authorised its resale. Web order returns are checked and verified within 24 hours so an exchange or refund to be processed quickly.

THE RESULTS

Key Metrics

- 100% picking accuracy for 3 months at time of writing
- 100% of received goods are put away within 24 hours
- All service level agreements are being met on outbound orders
- Cleanliness of the warehouse; no dusty products

Expeditors takes great pride in operating as an extension of our clients and providing a level of service that enables the brand to continue to grow their sales.