

How an efficient warehouse operation could save you a sale



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One of the biggest frustrations instore shoppers face is not being able to find products they're looking for - whether they are sold out, hard to find or simply not practical to keep in stock. And customers hardly ever ask about them if they're not. While these missed opportunities may seem inconsequential, they are starting to add up in this competitive retail environment where every sale counts.



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In 2018 alone, the rate of UK store closures <u>rose by 17%</u> with new openings declining by over 2%. This shows customers now expect physical and digital shopping experiences to be seamless. It is simply a necessity for retailers to have a system in place that allows them to see if an item is in stock, either there or elsewhere.

There is hope. Many retailers are now taking steps to directly address the frustration of a wasted trip by combining the convenience of online shopping with the delight of the in-store experience. Enter alternative fulfilment.

Paths to alternative fulfilment

The oldest, most proven method is to offer discounts to customers if they come back to the store when the item is replenished. This rewards customer loyalty while also offering an incentive. Unfortunately though, according to Zebra's Global Shoppers study, only 44% of retailers currently offer this service even as research shows 61% of shoppers globally want it.

The benefit of this method is that retailers can also build customer loyalty through personal shopping experiences. In stores where customers are looking for multiple items like groceries or tools, they can be given a personal shopping solution like Zebra's PS20 that can guide them through the store giving additional product information while also alerting them with location-based youchers.

As people's time becomes even more important, we are seeing convenience increasingly trump cost, and retailers must respond. They are starting to do so by offering fast home delivery should an item not be in stock. The Zebra Shopper Study found 62% of shoppers globally want this method when they shop, but only 42% of surveyed retailers have it in place.

It is clear then that the challenge for retailers lies in delivery or what is often referred to as the 'last mile'.



Better connected staff could improve in-store customer experience

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Supply chain superiority

The conventional supply chain requires fluid movement between stores and the warehouse. When a retailer wishes to add home delivery or to re-stock discounted items quickly, an exponentially more powerful logistics system becomes essential.

This system must be able to instantly, reliably assess the status of any stock item. No matter whether it is location (warehouse or store), size or readiness to ship – a retailer needs to have this insight. Customers offered home delivery expect items to be dispatched with speed that matches their online alternatives.

It must also empower warehouse workers with tools for rapid item location and processing. Retailers attempting to implement alternative fulfilment strategies instore will struggle if operatives tasked with quickly locating, scanning and shipping items are working with outdated technology. Hence the growth and investment in recent years in warehouse technologies like mobile computing and RFID solutions.



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Making sales from the warehouse

In the face of incredible competition, innovative retailers are recognising a need to offer solutions that match rising customer demands for speed and flexible fulfilment. Tried and trusted methods such as promotions and discounts are now more targeted and personalised with logistical supply chains becoming more flexible and visible. This is driving retailers to invest in and build a greater understanding of the tools and processes that enable such insight and agility.

All retailers know they must focus on the customer, brick-and-mortar stores especially. But, realising that the very best instore experiences start in the warehouse is what will keep retailers profitable in 2019.

ABOUT MARK THOMSON

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