

Adapting Fulfillment to the Customer

Driving Improved Service Levels



Fulfillment is Moving Closer to the Customer

Supply chains are evolving to support omni-channel strategies

The last few years have brought uncertainty and opportunity. Consumer buying behaviors had been in transition each year, including more ecommerce buying. With the pandemic, that slow journey accelerated, and combined with supply and labor uncertainty, put supply chains under stress.

Even as they return to in-person shopping, consumers have new expectations of flexibility. They want to make their purchases online and have that item available when they arrive at the store via buy online, pickup in store (BOPIS), curbside or have their order delivered to them the same day.

Supply chains must adapt quickly. A variety of micro-fulfillment centers including dark stores, pop-up DCs, and others are being positioned closer to the customer. These locations offer businesses the ability to have inventory available closer to meet customer expectations. Some retailers have taken advantage of their backrooms for microfulfillment, or fulfilled online orders from the store.

Managing this new fulfillment model brings new challenges for supply chain executives.

By 2025

24.5%

of purchases will be via ecommerce¹

Rapid delivery expectations are driving operations to activate micro-fulfillment centers (MFC) near their customers

Micro-fulfillment center installations will increase

20x

by 2030²

¹ Insider Intelligence, Global Ecommerce Forecast 2021

² Research and Markets, "Micro Fulfillment Market – A Cumulative Opportunity Worth ~\$36B by 2030, By Technologies, By End-User, By Deployment, By Warehouse Size, By Key Countries and Regions"

Optimizing Last Mile and Micro-Fulfillment

These new facilities bring new challenges and require high levels of velocity, agility and resiliency to meet evolving customer expectations.

There are many types of facilities supporting micro-fulfillment. Each with differing levels of complexity and automation. The goal is getting the right item into the hands of the consumer at their preferred time and delivery method. Time is critical and the traditional methods of bringing a warehouse online, implementing technology, and training staff lack the speed needed.

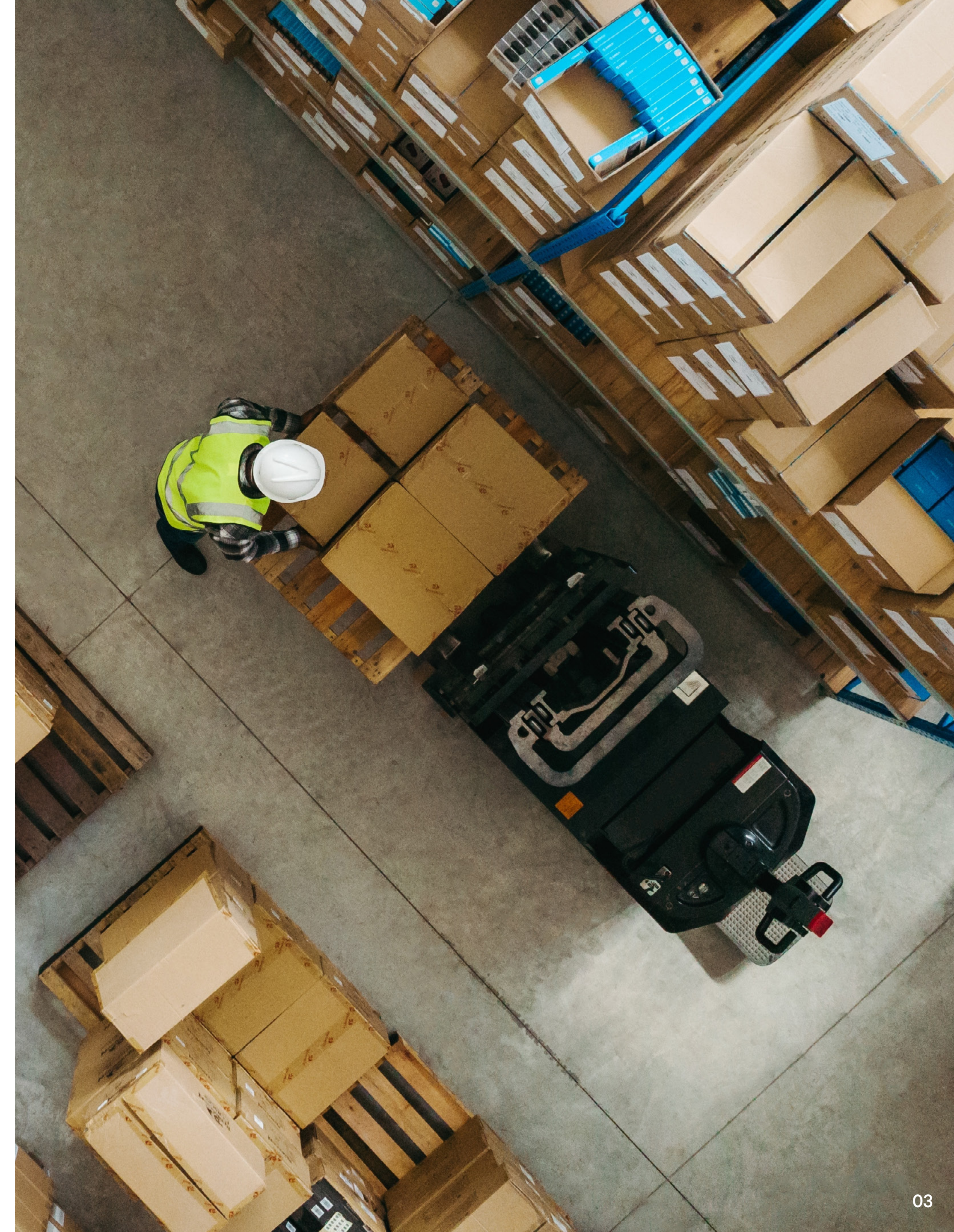
For retailers supporting micro-fulfillment activities within their store, there is the additional complexity of managing online orders while also satisfying customers shopping in person.

Fulfillment centers located closer to the customer, many with minimal to no levels of existing automation, are often managed by spreadsheet or a paper-based system. Some struggle with low inventory accuracy and rely heavily on experienced

staff. These nodes are becoming a critical link in the supply chain and need a fulfillment solution that can be deployed rapidly and is agile, scalable and adaptable to changing business environments, while simple enough to activate sites and onboard users quickly.

Many micro-fulfillment centers struggle with:

- Siloed, paper-based environments
- Lack of real-time visibility
- Inventory & order accuracy issues
- Customized solutions at each MFC
- Overreliance on tenured staff
- Long staff training / onboarding to become efficient



What Is needed?

To manage the unique requirements of fulfillment near the customer, supply chain leaders must leverage adaptive technologies that improve operational excellence and inventory accuracy.



Rapidly activate centers

When the rapid activation of multiple facilities near the customer is a critical component of the supply chain strategy, SaaS-based technologies that can be configured rapidly and deployed across multiple sites deliver faster time to value.



Flexibility in fulfillment strategy

Adapting the supply chain to new customer demands (BOPIS, curbside, same-day delivery) requires technology with the ability to adjust to meet customer needs. This can include fulfilling orders in store, from the backroom, or from a micro-fulfillment center.



Quickly onboard new staff

Reliable staffing can be a challenge for any organization. Overreliance on the experience of tenured employees increases risk. Technologies that are easy to learn and guide the user accelerate onboarding and mitigate the risk of high turnover.



Real-time visibility to the warehouse, order fulfillment process, resources and activities

Siloed or paper-based environments are prone to errors and inaccuracy of inventory. Leveraging technology ensures real-time updates of inventory and order status, providing the most up to date information to drive decision making and planning.



Introducing Adaptive Fulfillment & Warehousing

Blue Yonder's Adaptive Fulfillment and Warehousing is a SaaS-native, scalable solution designed to meet the needs for microfulfillment, store fulfillment and last mile delivery. The intuitive, consistent mobile interface allows for personalized workflows, streamlining the onboarding process. Built on decades of WMS and commerce expertise, Adaptive Fulfillment and Warehousing delivers a microservices architecture that allows businesses to leverage only the services they need.

Adaptive Fulfillment and Warehousing enables paper-based facilities to automate the breadth of the warehouse workflow with real-time feedback for active decision-making. With store fulfillment capabilities, Adaptive Fulfillment and Warehousing allows you to expand the power of your retail store to meet evolving consumer expectations.

Some key benefits of Adaptive Fulfillment and Warehousing Include:

Built for micro-fulfillment network (MFCs, dark stores, pop-up DCs, store fulfillment)

Rapid rollout of duplicate, similar sites (scalability of network)

Seamless component of E2E ecosystem, from planning to order management to execution

Mobile extensibility – intuitive editor makes custom screen creation easy

Modular microservices support capabilities from MFC to store fulfillment and everything in between – solution can grow as the business requirements change



Enabling Optimal Fulfillment

Store Fulfillment

For retail stores, Blue Yonder offers options to meet the evolving needs of your customers, creating a competitive advantage.

Fulfill from the shop floor

Adaptive Fulfillment and Warehousing's Store Fulfillment services offer a breadth of capabilities to streamline the process of fulfilling customer orders from the store. Store associates are guided through the picking, packing and fulfilling of orders, creating a customer centric fulfillment strategy that enables options such as ship from store, BOPIS (buy online pick up in store), curbside pick-up and last mile delivery from stores with high operational efficiency.

Store fulfillment enables optimized picking strategies, packing location assignment to direct associates to the correct bin/station for the order and parcel carrier integrations for ship from store.

Back room micro-fulfillment

Manage back room inventory, with receiving and putaway of product as it arrives. Direct to customer fulfillment can occur in the back of the store, or product can be moved from back room to store shelves for consumers and order processing.

Urban Warehousing, Micro-Fulfillment Centers

Warehouse capabilities designed for facilities located near customers.

Adaptive Fulfillment and Warehousing enables foundational warehouse management to drive efficient operations:

- Flexible, auditable receiving from vendors or regional distribution centers.
- Directed or undirected activities
- Configurable outbound processing

Adaptive Fulfillment and Warehousing delivers real-time visibility of products and attributes from receipt to shipment.

The Power of Microservices

Adaptive Fulfillment & Warehousing leverages a modular, SaaS- based architecture that provides ease of deployment, extensibility, and integration. Public APIs simplify the process of creating custom screens or applications.



Take Micro-Fulfillment to the Next Level

Adaptive Fulfillment and Warehousing delivers benefits to businesses struggling to manage their last mile fulfillment.

Rapid Activation

Adaptive Fulfillment & Warehousing takes the mystery out of configuration, allowing business users to structure the system with minimal consulting. With an implementation time far shorter than traditional warehouse management systems, Adaptive Fulfillment & Warehousing makes it easy to build a “baseline” configuration that can be rapidly activated across subsequent sites.

Flexibility

Built on a microservices architecture, Adaptive Fulfillment and Warehousing delivers the flexibility of leveraging only the services needed.

Ease of Extensibility

Personalize dashboards, mobile interfaces and workflows to operational needs.

Comprehensive Features

The solution delivers foundational warehouse management capabilities, from inbound processing, to inventory control to outbound processing as well as store fulfillment, enabling the core functions needed to support micro-fulfillment or store fulfillment.

Seamless Upgrades

Built on a modular, services-based architecture that allows for rapid deployment, seamless upgrades and faster time to value, eliminating IT overhead.

Grows With your Business

The services-based technology allows you to expand capabilities as your business grows. As part of the Blue Yonder platform, Adaptive Fulfillment and Warehousing opens the door to broaden your supply chain capabilities.





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