

Unifying controls for a unified customer experience

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The last 18 months have certainly shown how important adaptability is. What makes the difference between success and failure is the unification of people, processes and technologies in the pursuit of one goal: a positive customer experience. Henri Seroux, Senior Vice President EMEA at Manhattan Associates, commented: “Our warehouse management and transportation management systems really deliver crossbusiness value when deployed simultaneously.”

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With cautious consumer optimism, our high streets seem to be returning to some kind of bustling normality. Seroux added that he sensed a great collective urge for people to meet each other again. “Consumers enjoy the fact that they can shop again, walk into a shop with little hesitation and talk to people. To ask for specific advice or just to have a chat about a product. We really noticed during the pandemic, just how important human contact is.”

At the same time, Seroux notes that retailers and brand owners have achieved nothing short of miracles in terms of keeping commerce moving and customers engaged with the help of digital technology. “Retailers saw what consumers needed and responded to it brilliantly. They mobilised their people, resources and stock and set up new propositions at lightning speed to meet these new and constantly evolving consumer needs. That is not only really cool, but it’s impressive too.”

Unified experience

Much of the change that retail has experienced over the past year looks to be permanent. A staggering 80% of

consumers who have tried new shopping and delivery options want to continue using them, and retailers will need to continue to offer popular propositions like curbside pickup. “The majority of consumers have experienced the great convenience that online shopping offers. The number of orders they place through the various digital channels will only increase,” continued Seroux.

Thanks to propositions such as curbside pickup and ship-from-store, online and offline channels have converged – a sign of the progress retailers are making. “Consumers no longer want to experience a difference between the physical and digital shop. They want a unified, frictionless experience across both.

“Just look at the stats from our research. 21 percent of consumers expect shop assistants to be able to check whether a sold-out product is in stock in a neighbouring shop. 21 percent also want to receive that product at home or pick it up in-store, while 17 per cent choose to order it online.”

Microfulfilment centres

More recently, large investment programmes have been set up to expand and improve the supply chain functionality needed to support the developments in the changing view of commerce. Seroux mentions the rise of microfulfilment centres near urban areas: “these form a new layer in the distribution network between the central, large-scale fulfilment centres and inner-city shops. Microfulfilment centres make it possible to deliver quickly to consumers, perhaps even on the same day.”

However, this extra layer in the distribution network creates new challenges. Retailers cannot afford to allow the total stock within the entire supply chain to increase exponentially. “It’s not just about quick and efficient execution in the supply chain, but also about stock optimisation. For example, where should I put my stock to serve the customer quickly and most efficiently?

“It is no longer enough to reserve one part of the stock for the shops and another part for ecommerce. Perhaps we should also reserve part of the shop stock for online orders that are prepared there in-store? A smart stock strategy leads to better positioning of stock, shorter lead times, less abandoned baskets and higher conversion rates.”

Agile supply chain

Above all, today’s supply chains need to be agile. Manhattan CEO, Eddie Capel addressed retailers at Momentum Connect, in May 2021, starting his keynote. “Boy, how we’ve learned to adapt to anything and everything. We’ve learned that spikes in demand can hit us at completely unexpected times and be triggered in very unusual ways.

“We have learned that spreading out peaks over longer periods of time can help reduce the workload in the supply chain. And, we have learned that the increasing demand for home deliveries has put a lot of pressure on last-mile carriers. But more than anything, we have learned that agility is critical to being able to respond to whatever happens next.”

An agile supply chain requires excellent communication and cooperation, through the unification of people, processes and technologies. “We are all connected as people. So why are we still using so many disconnected systems for sales, service, fulfilment, distribution, automation and transport? That disparate approach stands in the way of a reliable, efficient, greener and more profitable supply chain.”

THE ABILITY TO FULFIL ONLINE GROWTH

The pandemic had a catalytic effect on ecommerce growth, which looks set to continue, albeit at a slower rate of 14.3% in 2021 globally. So, the most important trend retailers must respond to is their ability to fulfil online orders, both flexibly, efficiently and profitably.

CONSUMER EXPECTATIONS:

78%

of consumers consider home delivery to be one of the most important delivery services when shopping online, through a catalogue, via mobile app or through a call centre

55%

abandon online orders before checkout due to high delivery costs

34%

would like to have a choice of couriers and delivery dates to fulfil the online order

18%

would like a choice of couriers with different cost options

RETAILER CAPABILITIES:

57%

of retailers report home delivery as their most popular customer delivery option, followed by click & collect 30% and contactless/ curbside pickup 12%

44%

can fulfil an online order from available shop stock for collection and shipping

37%

37% fulfil their orders from regional distribution centres via their own trucks, or via a courier 33%

17%

fulfil orders from available shop stock for collection only

SINGLE VIEW OF INVENTORY

The store's role will continue to expand, as more consumers shop online and expect a choice of flexible fulfilment options that can also extend the value of store-based assets. This only makes the need for single inventory visibility more pressing than ever. With inventory visibility, retailers can optimise what is available online without having to compromise on-shelf store availability.

CONSUMER EXPECTATIONS:

40%

of consumers search online for the best offer

38%

look to find out more about a product

35%

check stock availability

21%

would like a shop assistant to check on an out-of-stock product to see if it is available at a nearby store

21%

would like to order it to be delivered at home or in-store

17%

would like to order it online at home

RETAILER CAPABILITIES:

81%

of retailers' in-store and online operations are interconnected

67%

provide a network-wide view of inventory to store associates via handheld devices

40%

of retailers allow customers to order a product online if it is out of stock in the store, 48% provide advice on fulfilment options, 48% offer buy online and return in-store, or buy in-store and return online 41%

34%

of retailers put returned products back on the shop floor or make them available

9%

ship returns back to a distribution centre first



“It can never again happen that a new function in the TMS is unusable because an outdated version of the WMS blocks it.”

Scalable and versionless technology

Manhattan responds to this with the Manhattan Active® Platform, a suite based on the latest microservice architecture that makes optimal use of the possibilities of cloud-native technology. As a result, the individual solutions within the platform are scalable, extensible, versionless and therefore always current.

It all started in 2017 with the introduction of Manhattan Active Omni supporting order management and point-of-sale, among other things. Last year, it was the launch of Manhattan Active Warehouse Management and Spring 2021 saw the launch of Manhattan Active Transportation Management: a system that can calculate eighteen million feasibility considerations per second and adjusts its own parameter settings.

The union of TMS and WMS

The Manhattan Active Platform means there is no longer any need for integration. Architected on microservices and on the Google Cloud Platform means all solutions are interconnected.

“The problem with integrating two systems is the lack of a common language,” commented Brian Kinsella, who is responsible for product management at Manhattan. “After all, a location in the TMS is very different from a location in the WMS. Without a common language, it is almost impossible to fully integrate these two systems. With Manhattan Active, we not only have a common nomenclature, but also common components and architecture. As a result, the TMS and WMS work symbiotically.”

Seroux explained the advantages: “users always have the latest version of TMS and WMS, meaning it can never again happen that a new function in the TMS is unusable because an outdated version of the WMS blocks it.”

Staying on top of change

The symbiosis of Manhattan Active Warehouse Management and Manhattan Active Transportation Management enables companies to address challenges for which solutions did not exist previously. For example, until now, it was virtually impossible for customers to change or cancel an order after it was released by the WMS for picking in the warehouse. Now, this can be done up until the moment the truck doors close and the driver departs the loading bay.

If a truck is about to leave late, supervisors can click on an order to find out which tasks in the warehouse are causing the delay and intervene by increasing the priority of those tasks. Conversely, if there is a delay in the order picking process, supervisors can immediately check whether the promised delivery time needs to be adjusted.

Unified control

There are positive comments about the WMS and TMS from customers and experts alike. “These are two state-of-the-art solutions that really deliver value when they are implemented and used simultaneously. Activities in warehousing and transport can now be optimised and adjusted right up until the very last moment. For example, they can release picking orders in the warehouse earlier because the result of the transport planning from the TMS is immediately known in the WMS. And a last pallet or roll container can be added to the cargo moments before the truck leaves,” added Seroux.

Seroux recounts a recent conversation with a supply chain director about the new developments. "The unified control over the supply chain with real-time visibility over activities in the warehouse and routes in transport is a great improvement. They can now switch faster and react to developments in the market more quickly, all made possible by the industry's first truly unified supply chain execution offering."

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