

Warehouse technologies making their in-store debut

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The pandemic has forced many stores to become part showroom/part distribution centre practically overnight, increasingly blurring the lines between what was 'traditional' retail and an environment that looks more like a warehouse. There are six warehouse technologies that could make it to the store.



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Consumer attitudes toward retail have changed at a record rate. Some customers are keen to get out to brick-and-mortar stores for experiential retail therapy. Others are inclined to continue online shopping. As a result, retail stores are adopting processes and technologies that were previously only used in warehouses to meet new consumer demand. Meanwhile, store associates have had to adapt to picking and packing items for the new tranche of online shoppers, as well as continuing to stock shelves for in-store customers. Inventory receiving, put away, returns, reshelving, and price management were always part of brick-and-mortar retail operations. Picking, packing and quality control inspections were not.

The picking conundrum

Today's customers are far more discerning compared to 18 months ago when people were simply grateful to receive some kind of click and collect service or door drop delivery. One bad experience can make all the difference when it comes to customer loyalty. Repetitive issues will damage a retailer's reputation and influence all those who hear about them through word of mouth and social media. Both online and in-store customers can now be negatively impacted by order pickers' actions and a retailer's overall ecommerce operations.

However, most store staff aren't currently trained on picking or know where every item is in store. And how do staff pick orders, rushing around the store to meet deadlines, while customers shop? The last thing retailers want is to aggravate customers. So what's the solution?

Six warehouse technologies

For good retailers to survive the 'new normal', a change in mindset needs to take place. Stores need to rapidly adapt and technology strategies need to follow suit. The good news is that proven technologies already in use in the supply chain can be migrated to stores to help associates quickly become comfortable with new processes and new retail environments.

These technologies serve retailers' brick and mortar workflows and systems well, even if a level of optimisation may be needed during integration. For example:

1. **Pick-to-light** is a solution typically found in warehousing but is now ideal for use in retail, adding speed and flexibility in picking while eliminating errors in the process. It leverages technology such as electronic shelf labels (ESL) which have seen a varied uptake in warehousing environments, mainly due to the inability to demonstrate a return on investment (ROI). However, ESLs are now facing a resurgence in retail. A store associate clicks on the item to be picked on their mobile computer, triggering the ESL to blink red indicating the location of the item. The item can then be found quickly and easily. This technology could also be used by shoppers who want to find items fast by being built into a retailer's loyalty app.
2. **Heads-up displays** - smart glasses - paired with small finger-mounted ring scanners often used in warehousing are now also relevant in retail, dramatically improving picking speed and accuracy. Workers 'see' the item they need to pick in their field of vision and quickly scan it as they place it in their basket or trolley. Picking is a hands-on task. So, by making it handsfree using a ring scanner, retailers save time and reduce the physical impact on the staff member.
3. Another fulfilment approach is the **dark store**, which essentially turns a store into a distribution centre. Customers aren't allowed in and pickers can pick what they need quickly and easily without customers

getting in the way. It's ideal for underperforming stores with years left on their lease - making the most of the retail space they have available. It also enables zone picking, so pickers can focus on one specific area.

4. **Augmented reality (AR)** addresses many use cases in the store environment. An AR-enabled device can show alerts or flags on a screen to help associates find the items they need to pick. It can address the picking workflow and also identify issues at the shelf. New technologies and applications such as this engage younger workers, and motivate/enable them to be more productive.
5. Another technology to consider are '**cobots**', which are collaborative robots that help associates move picked items to the packing or staging station. This helps associates to be more productive while protecting them from injury, important at a time when companies are facing labour shortages and increasing labour costs.
6. **Location sensing technology** is also a highly effective option in 'new retail'. The picker uses a handheld device to select a product to be picked. The device and locationing technology shows them the most efficient route to locate and pick the item, making it a faster, more streamlined and less tiring experience for the associate.

What about data?

In order to implement any new technologies in your retail environment you'll need clear performance data to calculate the ROI. Advanced analytics can tell you where certain technologies make sense and reduce the time needed to trial them. Regardless of vertical, it is hard - likely impossible - to make margin if you're using old technologies and workflows. Customers now demand more speed and accuracy regardless of the way they shop, so having the right technologies and data in place to support changing demands is critical.

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