

A Manhattan Associates Magazine 2021/2022

COMMERCE TRENDS

MORE THAN OMNICHANNEL



Crocs finds the perfect fit

Fenix Outdoor: premium
service for premium brands

What Groupe Dynamite,
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Henri Seroux,
Senior Vice President EMEA
Manhattan Associates



During Momentum Connect in May, our CEO, Eddie Capel, talked about shops that had been 'put to sleep' during various lockdowns and how they were 'beginning to awaken' from their enforced slumber again. It is not only the shops that have awoken, but also the shopper that is in all of us. How nice it is to go into town again; to walk into a shop prepared or not, to try on a new shirt; to have a chat during the checkout and to eat a sandwich on the way home. After the hardships, I sense around me a great urge to go out and meet people.

I also sense this urge in myself, especially professionally. In previous years, we would have met in person around this time of year at our annual event in one of Europe's vibrant cities. Instead, we have been meeting through digital events for a year and a half now. A lot of knowledge has been shared, not only by us but also by our customers, and many retailers, wholesalers, brand owners and ecommerce specialists have been informed and been inspired by these digital connections.

For many, our work also took place primarily via digital channels. Hundreds of sales calls, product demonstrations, contract negotiations, software implementations, product strategy discussions and user training sessions were all conducted remotely via computer. Despite travel restrictions and social distancing measures, there have been a number of noteworthy results, including a record number of global go-lives.

While we will not stop using this digital approach completely, I have noticed a desire within our business development, product and project teams to meet people again. Perhaps not all the time, but hopefully at regular intervals to bring extra energy into the collaboration process with our customers and partners. That we, too, are going to meet each other again is clear. How exactly, we do not know yet. Probably not at big international events across the capital cities of Europe, but rather at smaller, more intimate events nearer you. The opportunity to catch up and exchange ideas in person will be here soon and I am looking forward to it. What about you?

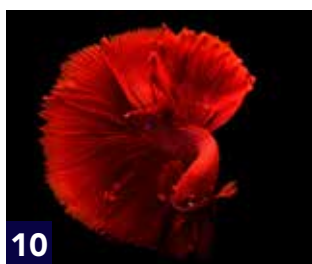
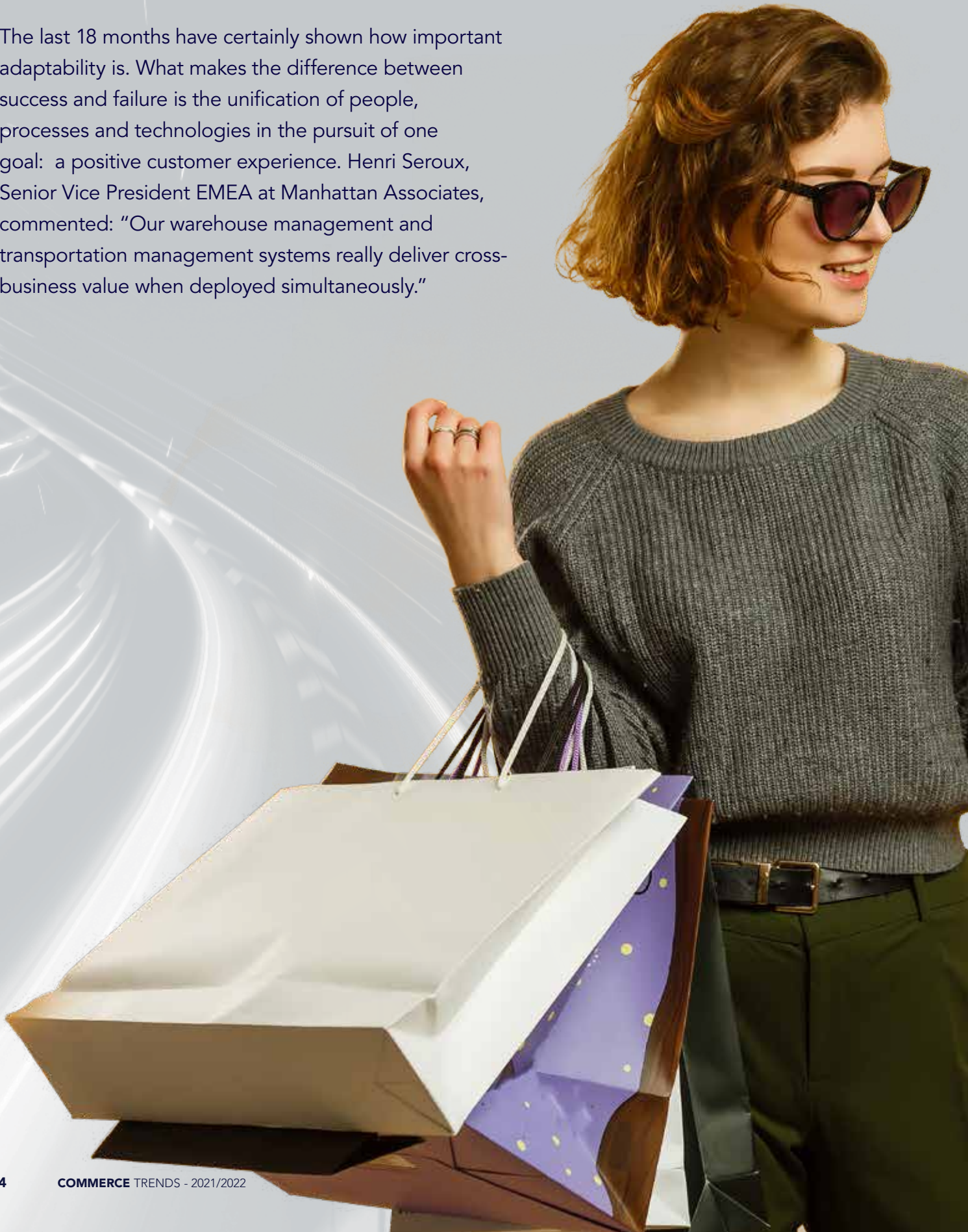


TABLE OF CONTENTS

Unifying controls for a unified customer experience	4
Crocs and Manhattan find the perfect fit	8
Heads in the cloud	10
Warehouse technologies making their in-store debut	12
Together in electric dreams	14
What customers say about Manhattan Active® Omni	16
Five reasons to rethink your OMS	18
Next-Level business intelligence for retail supply chains	20
Fenix Outdoor: Premium service for premium brands	22
The quiet revolution happening in your supply chain...	24
Wholesale success: supply chains make the difference	26

UNIFYING CONTROLS FOR A UNIFIED CUSTOMER EXPERIENCE

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 cross-business value when deployed simultaneously."



"CONSUMERS NO LONGER WANT TO EXPERIENCE A DIFFERENCE BETWEEN THE PHYSICAL AND DIGITAL SHOP. THEY WANT A UNIFIED, FRICTIONLESS EXPERIENCE ACROSS BOTH."

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 e-commerce. 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

Source: report on meeting and exceeding customer expectations



"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."

"THE UNIFIED CONTROL OVER THE SUPPLY CHAIN WITH REAL-TIME VISIBILITY OVER ACTIVITIES IN THE WAREHOUSE AND ROUTES IN TRANSPORT IS A GREAT IMPROVEMENT."





crocs

CROCS AND MANHATTAN FIND THE PERFECT FIT

Crocs, Inc., recognised around the world for their iconic Classic Clog, entered the Covid-19 pandemic with incredible momentum. That momentum was not only maintained but increased in 2020, recording a record annual revenue of \$1.4 billion USD. Demands for the iconic footwear continue to accelerate, as partnerships with a range of collaborators – from luxury fashion brands and musicians to cultural icons – are helping drive interest. As a result, more and more consumers are discovering the importance of being comfortable in their own shoes.

The brand's current and anticipated acceleration demands the utmost from Crocs' supply chain. The Manhattan Warehouse Management Open Systems (WMOS) plays a crucial role in this dynamic supply chain. "We are looking for global partners who understand our markets and consumers. Manhattan Associates has a team of experienced professionals who know how to use technology to solve problems in retail, ecommerce and distribution. It is partners like Manhattan Associates who help us to be flexible and create the distribution network needed to facilitate our growth. Faster than we thought possible," says Mike Feliton, Senior Vice President and Chief Information Officer, Crocs. WMOS plays an important role in the digitalisation of the supply chain. The integration with Dematic shuttles, 6 River Systems robots and the handheld terminals from Zebra has resulted in a completely paperless operation. Feliton: "We did not have any experience with automation and robotisation.

Manhattan helped us with selection and implementation, reducing an 8-12-month project to one of 2 to 3 months. That speed provides us with a great competitive advantage."

Different flows

What makes the supply chain even more complex is the large number of different flows that the distribution centres handle. The European distribution centre supplies national distributors in Southern and Eastern Europe, internationally operating retailers, local shopkeepers and Crocs retail stores across the region. The digital channel is becoming increasingly important, which is formed

"TOGETHER WITH THE MANHATTAN TEAM WE REGULARLY DISCUSS VISION AND STRATEGY. THEY UNDERSTAND THE CHALLENGES IN OUR SECTOR LIKE NO OTHER. AND THEIR KNOWLEDGE OF WAREHOUSE MANAGEMENT IS UNPARALLELED."

Mike Feliton, Senior Vice President and Chief Information Officer, Crocs



“IN ORDER TO KEEP UP WITH THE INCREASING DEMAND WE NEED A PARTNER THAT HELPS US THINKS SMARTER AND WORKS FASTER WHILE MAINTAINING EFFICIENCY AND ACCURACY.” *Dennis Boor, Senior Director of Distribution and Logistics, Crocs Europe BV*

by the company’s own websites and those of other retail partners. “The number of online orders has increased tenfold in five years. Processing those orders can be very labour-intensive. We have to change gears quickly and continuously work on process improvement and capacity expansion in order to be able to absorb the online growth,” says Dennis Boor, Senior Director Distribution and Logistics at Crocs Europe BV.

Boor relies heavily on WMOS. “First of all because it is a very reliable and stable system, but also because of the ease with which we can control all those different flows. As clients’ expectations rise and our flows and processes change as a result, we can easily adjust the configuration in WMOS.

Configuring and optimising

In order to be able to pivot quickly, Boor’s team remains in close contact with the commercial team. Their forecast provides insight into the expected demand and is prepared for those demand spikes by utilising Supply Chain Intelligence, an add-on from Manhattan Associates. “With this tool we can analyse the data from the WMOS and make data-driven decisions. For example, what does the demand mean for our fast movers and slow movers?

We also use Manhattan’s labour management solution to gain insight into the performance and competences of employees. This is crucial to be able to respond quickly, now and in the future. Because of the rapid growth and dynamics in the market, we have to keep monitoring whether we can still manage the workload, and if necessary distribute the workload better. Our supervisors and team leaders have real-time information at their fingertips with Labour Management.”

The ease of use is contributing to the efficiency, says Karen Stenger, Senior Manager of IT Applications at Crocs. “That is one of the biggest advantages of WMOS. This is especially true for the employees on the floor, who interact the most with the system via their handheld terminals. We can create consistent workflows with WMOS, which leads to standardised, measurable processes.



With its intuitive use, it is easy to train new employees and have them up to speed quickly.” Stenger has seen how the relationship with Manhattan has developed since the start with WMOS in 2007. From a software provider like many others, Manhattan has grown into a strategic partner. “We use their cloud services, managed services and premier support. In addition, WMOS is an extremely reliable and stable system. At the most critical moments, the system never lets us down. ”



Super stable

Boor also emphasised high availability and stock accuracy of the system. “Whatever we think we can sell from stock is actually in stock. And when we receive an order, the chance of missing it is very small, making our operation efficient and reliable.” WMOS serves as a more important ‘enabler’ for Crocs’ success, explains Boor.

“The reason for the success is that we have been able to quickly convert all parts of the company to the new world with new methods of selling and different order profiles. To keep up with the growing demand, we needed a partner that would help us work smarter and faster while maintaining efficiency and quality. As we grow, Manhattan grows with us.”

CHALLENGE:

Crocs is growing at a tremendous pace. The brand needed a warehouse management system that is agile and flexible enough to keep up with the company’s accelerated growth.

SOLUTION:

Manhattan Warehouse Management for Open Systems (WMOS) enables Crocs to expand its distribution network and adapt to the rapidly changing demands of a dynamic market.

RESULTS:

With new distribution centres in North America and Europe, driven by WMOS, Crocs is ready for the next spike in demand.



HEADS IN THE CLOUD

In an increasingly digital, globalised world, where real-time data and consumer expectations fuel the need for immediate results, organisations today are faced with an often-confusing myriad of challenges when it comes to meeting brand promises: not least, how to source, purchase, and deploy applications to support critically important supply chain operations.

Around the world, no two organisations are undergoing digital transformation for the exact same reasons; each journey, while similar, will ultimately be unique, making the ability to pivot, innovate and scale in one's desired direction so important. Some organisations will be looking to exploit new market opportunities or deliver better experiences, while others may be reacting to the increasing pace of innovation or responding to competitive disruption. Some will likely want to address all of these points and more. Despite the multiple and varied reasons driving change, all organisations do share areas of commonality; not least, the compelling need to address the accelerating pace of business change, as well as the requirement to be more effective when it comes to delivering new business opportunities. Most organisations today, however, are still limited in their ability to adapt at pace and deliver agile solutions to evolving challenges. This is primarily due to the state of application portfolios, which are often unnecessarily complicated, outdated, difficult to change and often still aligned to older, now redundant technology strategies.

Seamlessly integrated

To deliver on the true value of digital transformation, organisations need applications that can be assembled, reassembled, extended and operated at the pace of business change. They need applications that can work interoperably, seamlessly and provide any member of the team with the full transparency, extensibility and levels of personalisation needed to immediately affect change.

Gartner outlines two contrasting (some would argue philosophical) architectural models for supply chain applications: it ultimately comes down to a simple discussion around a 'loosely coupled portfolio of solutions' versus 'seamlessly

MOST ORGANISATIONS TODAY ARE STILL LIMITED IN THEIR ABILITY TO ADAPT AT PACE AND DELIVER AGILE SOLUTIONS TO EVOLVING CHALLENGES.

integrated platforms on a common architecture' approach. A legacy portfolio approach is one that offers multiple functional applications that might share some elements such as single sign-on, but which are for the most part still stand-alone applications with their own unique process and data models, not written on a common shared architecture.

An integrated converged approach (commonly built on cloud-native, microservice architected platforms), by contrast is one that has all of its applications built on a shared technical unfractured architecture; from the data and process modelling, right through to the actual user experience itself.

Platform-first approach

Manhattan Active Warehouse Management along with the most recently launched Manhattan Active Transportation Management solution effectively brings TMS and WMS functionality under the same platform 'roof', allowing for a fully transparent view of inbound and outbound goods from the warehouse environment to the front door of the end customer. This game-changing approach to previously siloed areas of supply chain execution, highlights the elegance of supply chain convergence and underlines the Manhattan commitment to a platform-first approach to supply chain execution.

THE FIRST MAJOR CLOUD-NATIVE WMS

According to Gartner's latest assessments, Manhattan Associates "has rewritten its WMS and TMS using a microservices architecture that allows continuous innovation, updates and extensibility in a cloud native environment." Ultimately, offering the only true, unified supply chain execution offering currently available today.

The fact that we have been recognised as the leader in the WMS space for 13 consecutive Gartner Magic Quadrants, and the first major vendor to rewrite WMS onto a microservices multitenant cloud architecture (fully supporting composability, extensibility and zero upgrades) is affirmation of our commitment to the platform-first approach to supply chain convergence and the concept of the composable enterprise more widely.



Gartner Magic Quadrant for WMS



Gartner's survey of supply chain professionals shows that most organisations are focused on integration across core supply chain processes and the extended value chain -in other words, supply chain convergence. According to the same survey, analysts Dwight Klappich and Christian Titze suggest that organisations are showing strong signs of wanting to engage with fewer supply chain vendors, thus reducing the complexity and work involved in implementation, integration, support and maintenance; essentially endorsing the modern platform-first vision, elegantly embodied by the Manhattan Active Supply Chain suite of solutions, encompassing WMS, TMS and OMS on the same platform.

Unified execution

As we set our sights on 2022, the convergence of supply chain applications across single platforms is going to become increasingly important for organisations across all verticals. To deliver on the true promise of digital transformation within the supply chain space, 21st century organisations need to be agile, responsive, scalable and fast. In order to deliver this however, they will also need technology architecture and applications that can be assembled, reassembled and extended to remain competitive.



WAREHOUSE TECHNOLOGIES MAKING THEIR IN-STORE DEBUT

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.



Mark Delaney,
*Retail Industry
Consultant,
Zebra
Technologies*

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.

TOGETHER IN ELECTRIC DREAMS

In order to move towards net zero carbon emissions, more and more companies are looking at electrifying their fleets. A competitive spirit emerges amongst food retailers on the road to transport sustainability.



Ben Sillitoe,
*Founder and
Editor of Green
Retail World*

UK supermarket chain Asda said in July that its fleet of staff vehicles will comprise only electric company cars by 2025, as the retailer accelerated its sustainable transport plans amid the environmental awakening taking place in the world of commerce. The grocer's switch away from diesel and petrol to electric is expected to remove 2,411 tonnes of CO₂ from its operations over the next four years – all important when considering

the commitment of individual businesses and the whole UK to net zero carbon emissions by 2050, in line with the Paris Accord climate goals. The move is driven from within too, with Asda saying the change comes after 85% of its workforce who opted for a company car as part of their benefits package chose to go electric. Petrol and diesel vehicles will be off Asda's fleet by June 2025 – five years before the UK government's general ban on new petrol and diesel vehicles comes into force – in evidence the retailer is taking this particular transportation policy very seriously indeed.

Build back better

I'm not one for government slogans in general, but the 'build back better' mantra that has gained traction among politicians following the easing of pandemic lockdown measures in the UK is one I support. Particularly, the push for a greener economy within that wider call to action. And it appears many retailers are on board with it too, highlighted by their propensity in recent months to kick start new environmental drives, embed more eco-conscious processes into operations, and appoint dedicated directors of sustainability strategy.

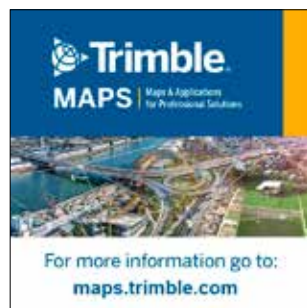


Challenges in transport management

Electrifying transportation leads to new challenges in transport management. "Accelerating the switch to electric goes beyond simply buying new vans more quickly. Final mile delivery fleets also need to adapt their fleet management systems to maintain operational efficiency while transitioning at speed", says David Quin, Strategic Partnerships Director at Trimble MAPS.

"Although electric vehicles are generally well-suited to high density deliveries in an urban area, their introduction may require revised operational planning, route optimisation based on range constraints and the ability to include charging stops during a working day."

Manhattan Partner Trimble MAPS provides cloud-based route optimisation, mapping and in-vehicle navigation technology for many of Europe's leading parcel and home delivery fleets.



Need to rethink sustainability

The majority of global companies need to rethink the way they look at sustainability within their supply chain. "While companies that are moving fleets from petrol and diesel to electric are leading the way, many companies may not have private fleets, or the private fleets make up only a percentage of all of the freight that company is responsible for", says Christian Piller, Vice President Research and Sustainability at Project44.

"There are three high-level challenges that must be solved prior to truly rethinking supply chain sustainability. The first is accurate and real-time fuel consumption, weight, and emissions data. The second challenge is decreasing inefficiencies that cause trucks to idle and pickup and delivery. And last but not least: companies need to create the ability for planning systems to contemplate emissions in addition to cost and lead time."

Manhattan Partner Project44 connects, automates and provides visibility for shippers and third party logistics firms into key transportation processes to accelerate insights and shorten the time it takes to turn those insights into actions.



From a transportation perspective, the big grocers operate the largest distribution fleets – and they are all battling to make their collection of vehicles more sustainable, which would make a significant difference to retail's overall impact on the environment as it moves goods from A to B. Companies are acknowledging the seriousness of the climate crisis, which is motivating them into action. However, it seems the UK's grocers' perennial competitive spirit is also a factor in bringing about change.

Other retailers

Tesco is aiming to fully electrify its home delivery fleet for its dotcom business by 2028. Currently, the UK's largest retailer operates just over 5,000 vehicles, of which only a small percentage are electric-powered. Co-op procured its first electric vehicles for online home delivery, last December, and aims to replace its fleet of fossil-fuel powered home delivery vans with electric alternatives by 2025. Sainsbury's, meanwhile, claims to be the first UK grocer to introduce fully electric refrigerated trucks to its delivery fleet, which it says do not emit carbon or particulate matter such as dust, dirt, soot or smoke into the air. In addition to its company car policy, Asda has also turned to

electric transportation to ferry its click and collect orders from stores to pick-up points.

Electric avenue

At the turn of the millennium, the grocers were involved in a highly competitive race for space - as the number of supermarkets in the UK ballooned and different formats materialised. Now the race appears to be centred on who can electrify their transportation quickest. The good news is that with environmental benefits attached to such strategies, we're all victors in this particular battle. We'll then hope to see that competitive spirit continues in other areas of transportation strategy, such as warehouse and distribution efficiency, which will also go a long way to making retail a more sustainable industry.

Green Retail World is an online trade title monitoring best practice in greener retailing, and covers stories ranging from retailer recycling strategy to sustainable retail supply chain practice. Take a look at <https://greenretail.world/>



WHAT CUSTOMERS SAY ABOUT MANHATTAN ACTIVE® OMNI

Manhattan Active Omni is a first-of-its-kind, unified commerce application designed and built to profitably deliver on the omnichannel customer experience promise. Born in the cloud with a microservices architecture, its order management system (OMS) is the most advanced order orchestration and optimisation solution ever built. Manhattan's OMS gives retailers complete, real-time control of customer transactions, inventory visibility and availability, and orchestration of orders across the enterprise. What do our customers say about Manhattan Active Omni?



PVH: Access to in-store inventory

PVH is one of the most admired fashion and lifestyle companies in the world with a portfolio that includes the iconic Calvin Klein, TOMMY HILFINGER, Van Heusen, IZOD, ARROW, Warner's, Olga and Geoffrey Beene brands, as well as the digital-centric True&Co. As the COVID-19 pandemic spread, PVH's stores were temporarily closed to comply with governmental orders. Demand through digital channels grew exponentially, driving the need to access in-store inventory to expand consumer options and enable fulfilment of orders. PVH leveraged its longtime partnership with Manhattan Associates, and the flexibility of Manhattan Distributed Order Management, to solve

the problem. In just three weeks, fulfilment processes were rerouted, expanding capacity for ecommerce sales and increasing the available assortment for online shoppers. PVH is now incorporating ship-from-store efforts into its regular fulfilment model to maximise sales and meet customer expectations for fast, convenient shopping. "Clearly our agility was a great tool as we tried to mitigate the business impact of the pandemic. Our store operations played a vital role by quickly adopting new procedures to pick, pack and ship online orders to consumers. These efforts are a proof point of our overall ability to adjust to shifts in behaviour to best serve the consumer now and into the future," according to Eileen Mahoney, EVP and CIO, PVH.

"OUR STORE OPERATIONS PLAYED A VITAL ROLE BY QUICKLY ADOPTING NEW PROCEDURES TO PICK, PACK AND SHOP ONLINE ORDERS TO CONSUMERS."



Groupe Dynamite: Personalised shopping experience

Groupe Dynamite, owner of the popular Dynamite and Garage fashion brands, creates, designs, markets and distributes a constantly evolving collection to more than 300 retail stores in the U.S. and Canada. The retailer has selected Manhattan Active® Point of Sale to deliver a more modern, customer-centric shopping experience.

"We wanted to add the latest fulfilment methods, like buy online pickup in store and ship from store capabilities, but were limited by a legacy POS with an inflexible architecture," said Marie-Soleil Tremblay, Senior Vice President Sales, Operations & RPI, Groupe Dynamite Inc. "Manhattan's POS solution will give our retail associates the state-of-the-art tools they need to provide a modern and personalised shopping experience."



"Groupe Dynamite leverages Manhattan Active Omni's robust Order Management, Store Fulfilment and Store Inventory Management functionality. We are so pleased to be able to add a leading point of sale solution, with its advanced omni-cart and clienteling functionality, to this powerful application suite," continued Tremblay.

"MANHATTAN'S POS SOLUTION WILL GIVE OUR RETAIL ASSOCIATES THE STATE-OF-THE-ART TOOLS THEY NEED."

DYNAMITE
GARAGE



At Home Group: Agile fulfilment network

At Home Group Inc., is a home décor superstore with 225 locations in the United States focused on providing the broadest assortment of products to suit every room, every style and every budget. To enhance its already successful retail operations, At Home recently selected Manhattan's OMS solution to provide a more modern omnichannel customer experience and improve in-store fulfilment.

"Our success has been driven by three key competitive advantages: a differentiated home décor concept, a highly efficient operating model and a deep understanding of our customers," said Julie Coffman, At Home's Vice President of Ecommerce and Omnichannel.

"Implementing Manhattan's OMS will enhance our performance in all three of these areas and allow At Home to build an agile, powerful and fully optimised fulfilment network tailored to the needs of our customers."

"MANHATTAN'S OMS WILL ALLOW AT HOME TO BUILD AN AGILE, POWERFUL AND FULLY OPTIMISED FULFILMENT NETWORK."

at home
The Home Décor Superstore



FIVE REASONS TO RETHINK YOUR OMS

Faced with the challenges of national lockdowns and the subsequent shifts in consumer behaviour towards ecommerce, curbside collection and ebookings, many brands have had to get creative and accelerate their journey towards digital services over the last 18 months. Scaling up to provide these new types of service doesn't happen over-night however, and a modern, future-ready order management system (OMS), capable of integrating flows of data from multiple channels into one manageable work stream is a key for today's retailers.

1

OPTIMISING ORDER SOURCING

Optimising order sourcing is one of the great strengths of an effective OMS, allowing brands to use the stock present throughout an entire network, wherever it is located. For example: retailers could use physical stores in urban areas to offer same/next day delivery; while at the same time, favoring warehouse stock for less time-sensitive orders.

2

COST-EFFECTIVE OMNICHANNEL OFFERINGS

A smarter OMS can give a brand the confidence to communicate a precise delivery promise to a customer very early in the customer journey, with research showing that (source: UPS) conversion rates increase up to 30% when a brand communicates a precise promise and date on a product page.

3

TRANSFORMING YOUR STORES AND ASSOCIATES

A modern OMS will typically have some form of customer engagement add-on module which can be used by both customer service and in-store teams. Combining the interactions between the brand and its customers via website, app, social networks or physical in-store visits, makes for a far more engaging and enjoyable brand experience for customers.

4

MAKING RETURNS A POSITIVE CUSTOMER TOUCH POINT

An OMS can help customer service teams to transform the returns process. Products in good condition can be immediately integrated back into the global stock pool, making them available for sale again, while also making the whole refunds process far more transparent and communicable to customers – a boon for brand advocacy and loyalty.





THE LAUDED HERO OF DIGITAL BUSINESS

Overnight, fulfilment options (like ship-from-store and curbside pickup) became the difference between survival and collapse in the face of sudden shifts in consumer needs and mandated limitations. The demands of the time have forced retailers to innovate at an unprecedented pace. Delivery must be personalised how and when consumers desire – at home or in-store, today or tomorrow. Fulfilment strategies, sales and support must be consistent.

Manhattan is proud to have been named the only leader in The Forrester Wave™: Order Management Systems, Q2 2021. By receiving among the highest scores in the criteria of enterprise inventory management, fulfilment, and pre-purchase customer experience, Manhattan has solidified its place at the top of omnichannel capabilities and is a best fit for well-resourced enterprises with complex needs that require a mature solution.



5

MOVING TO THE CLOUD

The global pandemic has brought about dramatic changes in the retail sector and the ability to adapt, evolve and pivot has meant the difference between staying in business or folding for many. If retailers are to continue to innovate and meet continually shifting consumer expectations then they must consider the potential benefits a cloud-based OMS can offer.

Takeaways

A smarter OMS is no longer a 'nice to have' for retailers, it is a 'must'. Modern, cloud-based order management systems have the capabilities to support retailers by transforming how stores are used, empower associates to drive richer customer experiences, and they can also help turn tricky returns processes into powerful brand differentiators too.





NEXT-LEVEL BUSINESS INTELLIGENCE FOR RETAIL SUPPLY CHAINS

The world of supply chain and logistics is rapidly growing and building resilient and sustainable supply chains has become a key priority for companies in every industry, and every region of the world. The COVID-19 pandemic, along with extreme weather patterns, and other challenges, pushed existing supply chains to the brink and exposed the weakness of current designs and execution. What does it take to create resilient and sustainable supply chains?



Alex Rutter,
Director & Head
of Retail, CPG &
Travel, Google
Cloud UK &
Ireland

The retail industry in particular has seen challenges with worker availability, distribution, safety and health mandates and customer journey digitalisation. When creating a resilient and sustainable supply chain the following should be taken into account:

Supply Chain Design

- **Product innovation:** this process has by far the biggest impact on building a resilient and sustainable supply chain. It starts with the decisions on which (reusable) materials/ ingredients/components are being used, what packaging material is required, where to source from and finally it determines the production process and therefore the energy consumption. Currently no company is capable of considering all these constraints holistically and therefore only makes point decisions.

Google Cloud



AS A RETAILER RUNNING A COMPLEX SUPPLY CHAIN, YOU DON'T NEED TO STICK WITH THE STATUS QUO. YOUR TRANSFORMATION CAN BE ACHIEVED BY LEVERAGING DATA TO POWER INDIVIDUALISED PROCESSES, WHICH WILL SET YOUR COMPANY APART FROM THE PACK.

- Supply network design: retailers are using this process to make decisions on the distribution network and the recycle and return process.

Supply Chain Monitoring

- Track & Trace: most retailers have only a connection to their direct suppliers, but lack information on their suppliers' suppliers and their locations. Building an effective track & trace process requires a network of companies sharing information, with technology such as satellite information for deforestation, water, agriculture and mining efforts, which can enable an ongoing monitoring process.
- Analytics & Reporting: collecting all this information requires a scalable data lake and the integration of many data sources.

Supply Chain Operations

- Risk prediction: having the data available enables the possibility of predicting risks. This information can be used to determine inventory levels and a much faster response to increasing risk levels.
- Disruption management: currently retailers are only making short term decisions based on cost impacts. Disruption management needs to take risk management and sustainability information into account to guide supply chain professionals.

Actionable insights

As digital activity in this industry rises, it leads to an explosion of data across multiple organisational functions. This data is often siloed and imperfect, making it difficult for retailers to make the most accurate and best business decisions. The goal is to build next-level business intelligence on a scalable, secure, and integrated data platform. That means capturing data and break down silos with a serverless, highly scalable data warehouse, creating actionable insights to make better decisions and managing and governing data and insights in an integrated platform.

Google Cloud's BigQuery and Looker solution can help drive actionable insights and support better business decisions:

- Scalable, secure & governed: BigQuery is a highly scalable, fully managed enterprise data warehouse solution with gigabyte- to petabyte-scale storage and SQL queries. It secures data with access controls and compliance assurance support. Looker is a

flexible, lightweight unified data platform to support thousands of users with minimal maintenance, and can be hosted in any cloud or on-premises.

- Integrated actionable insights: BigQuery enables you to operationalise machine learning and predict business outcomes easily without the need to move your data from the data platform. Looker offers an out-of-the-box BI application and APIs to power custom data applications and integrate insights into downstream workflows.

BigQuery and Looker can also help you unlock benefits using custom data experiences:

- Accelerate time to value: save 70% of your analysts' time by leveraging Looker's modern modeling to understand customer behaviour faster¹.
- Significantly lower costs: lower your organisation's total cost of ownership by 26-34% in three years².
- Democratise insights: empower employees to answer their own questions without asking an analyst, to enable data-driven decision making across the bank.

Leveraging data

In addition, Manhattan Active® Supply Chain leverages the power of Google Cloud to also solve for a resilient and sustainable supply chain. Manhattan Active Supply Chain is a single, cloud-native application, built on Google Cloud, that includes Manhattan Active Warehouse Management, Manhattan Active Labour Management and Manhattan Active Transportation Management to help drive true system convergence across every element of distribution and transportation.

As a retailer running a complex supply chain, you don't need to stick with the status quo. Your transformation can be achieved by leveraging data to power individualised processes, which will set your company apart from the pack.

Sources:

¹ Based on internal Looker benchmarks, last updated Q1 2020.

² ESG, *The Economic Advantages of Google BigQuery versus Alternative Cloud-based EDW Solutions*, September 2019



Fenix Outdoor International AG is building a supply chain that supports multiple distribution channels, from wholesale and retail to omnichannel and ecommerce. Manhattan SCALE™ provides Fenix Outdoor International AG with a modern warehouse management system (WMS) that efficiently runs their manual and automated warehouse operations.

From a brisk walk in the woods to a multi-day trek through the Scandinavian highlands, Fenix Outdoor International AG supplies clothing and equipment through their own brands Fjällräven, Hanwag, Brunton, Primus, Tierra and Royal Robbins. Shoppers can find these popular products in their 70 owned stores in Scandinavia and Germany with names like Globetrotter, Naturkompaniet, Partioaitta and Friluftslund, but also in thousands of other outdoor stores around the world.

Premium service

The supply chain plays an important role in Fenix's strategy. "We are building a supply chain that allows us to handle the flow of goods and information as effectively and efficiently as possible. That enables us to offer premium brands a premium service. To do this, we use efficient, fast and competitive processes that allow us to operate flexibly, reliably and proactively. And of course, sustainability plays an important role in all of this," says Marcel Gerrits, global supply chain director at Fenix.

Fenix's supply chain includes several warehouses, of which those in Aurora (Colorado) and Ludwigslust (Germany) are the largest. From these warehouses, goods go to the distribution centres of internationally operating retailers, local outdoor stores and consumers who have placed an order online. This results in complex operations with flows that vary significantly in terms of the number of order lines, volumes and packaging.

Fenix relies on Manhattan SCALE to control the operations in these warehouses. Thanks to its wealth of functionality, Manhattan SCALE offers more optimisation possibilities. Manhattan SCALE is built on a Microsoft platform and is highly integrated with Dynamics AX09 / AX12 R3, which was an essential requirement for Fenix.



"A THOROUGH SOLUTION AND MARKET KNOWLEDGE ARE THE DETERMINING FACTORS TOWARD ACHIEVING PEAK PERFORMANCE IN WAREHOUSE MANAGEMENT, NOW AND IN THE FUTURE."

Marcel Gerrits, Global Supply Chain Director Fenix Outdoor

Pouch sorter

Fenix first chose to implement Manhattan SCALE in Louisville, Colorado, its 11,000-square-foot manual warehouse near Denver. Within six months, the standard version of the WMS was implemented without additional customisation. Fenix used the experience in Louisville to implement Manhattan SCALE in its warehouse in Ludwigslust, 120 kilometres southeast of Hamburg. Ludwigslust is a brand new 30,000-square-meter automated warehouse. The warehouse is used to deliver online orders and the supply of its stores in Germany and Scandinavia. There are 50,000 articles in stock at this location, and the 100 employees ship 4.5 million items annually.

The heart of the warehouse is a long pouch sorter, which connects six order picking zones on three mezzanine floors. "This pouch sorter makes batch picking possible," says Gerrits. "Manhattan SCALE supports the entire order picking process. The WMS intelligently composes the batches, so the pickers have to travel as little as possible. Using barcode scanning, each pick is validated and processed in the WMS. But not all items fit in the pouches. Large items are located elsewhere in the warehouse and picked differently. The WMS ensures that all items are consolidated by order at the end of the order picking process," Gerrits explains.

Returns handling

Another significant advantage is the handling of returns. "Efficiently handling returns is enormously important in retail and ecommerce. The pouch sorter in combination with the WMS makes this possible." The WMS also communicates flawlessly with the warehouse control system that controls the pouch sorter, conveyors, elevators and other systems of warehouse designer SSI Schäfer.

For shipping orders, a link was made to SendIT's carrier management system. What appeals to Fenix is the ease of configuring Manhattan SCALE. "We process different flows in our warehouses, all with their own order patterns and specifications. If we get an additional requirement that requests us to add an extra step to the process, we can modify the WMS ourselves without seeking help from Manhattan Associates. We can control how an order flows through the warehouse, so we can switch quickly and operate flexibly."

Big future plans

Fenix has big plans for the Ludwigslust facility in the future. After commissioning the first hall in 2019, the warehouse has now been expanded twice. Gerrits does not expect it to stop there. "Initially, the focus in the warehouse was mainly on supplying our own stores. Now that that is going well, we want to move the stock of even more brands to Ludwigslust and integrate other flows from our wholesale and ecommerce activities. Ultimately, Ludwigslust should grow into our European hub."



The warehouse management software from Manhattan Associates will continue to play an important role in this. "Manhattan Associates is a renowned company that knows how retail and wholesale works. A thorough solution and market knowledge are the determining factors toward achieving peak performance in warehouse management, now and in the future."

CHALLENGE

Fenix was looking for a single WMS to oversee all of its warehouse operations worldwide, as well as a system that was also capable of controlling complex processes with a high degree of automation.

SOLUTION

With Manhattan SCALE, Fenix is able to efficiently route different flows, each with their own characteristics, throughout the warehouse.

RESULT

The new WMS facilitates Fenix's rapid growth. Thanks to the ease of use, the company can adjust the configuration itself and therefore quickly respond to new opportunities and developments.



THE QUIET REVOLUTION HAPPENING IN YOUR SUPPLY CHAIN...



Photo: Locus Robotics

20th century scientist, futurist, inventor and science fiction writer, Arthur C Clarke once wrote: “The only way of discovering the limits of the possible is to venture a little way past them into the impossible.” A rather apt summary of many of the technological advances witnessed over the last decades.

While the tripod robots of Clarke’s 1972 work ‘Rendezvous with Rama’ have not come to pass, even the great futurist himself might have been surprised by the speed at which advances in robotics have progressed since the dawn of the new millennium.

With robotics and automation one of the ‘a la mode’ subjects in supply chain right now, we asked Claudia Beer, Director Marketing Europe at Locus Robotics, Fergal Glynn, Vice President of Marketing at 6 River Systems, and Vince Martinelli, Head of Product and Marketing at Righthand Robotics, about four key areas organisations, should be aware of.

Is Artificial Intelligence the be-all and end-all for robots in the supply chain?

Martinelli: “No, but it is really important. Artificial Intelligence is a core capability that gives robots a limited range of autonomy, so they can deal with some unstructured environments; essentially the sort of variability that one encounters when doing a picking task in a warehouse. But at the end of the day, it is how you combine robot platforms together with warehouse management systems that will enable the greatest benefits.”

Glynn: “As important as hardware is to the functionality of robotics, it’s the software that is the powerhouse behind the ever-evolving



technology. AI is not the be-all end-all, rather, a vital component of the software ecosystem that is the future of supply chain technology, and AI will continue to be an essential piece of the puzzle as the demand for collaborative robots increases."

Are Robots-as-a-Service a real option for organisations now?

Beer: "RaaS has become a gamechanger for the warehouse automation industry. In the past, high costs have prevented many warehouses from investing in robotic automation. Because RaaS is a subscription-based model, there's no 'investment' in the classic sense, giving companies the ability to add this powerful technology to their operation without tying up cash resources.

More importantly, it gives them the ability to seamlessly and easily scale as their business grows or when there are seasonal or unanticipated volume spikes."

Glynn: "Fast ROI is at the core of all supply chain investments. While there are a growing number of ways to finance automation, rentals can be a much more practical option for warehouses choosing an asset-light automation approach."

What's next for robotics in the supply chain space over the next decade?

Martinelli: "We tend to see growth in the types of handling tasks that systems can do reliably, reducing burden on the human team.

Ten years from now, people will wonder how online direct to customer fulfilment ever happened without armies of picking robots doing many simple warehouse tasks."



Photo: Righthand Robotics

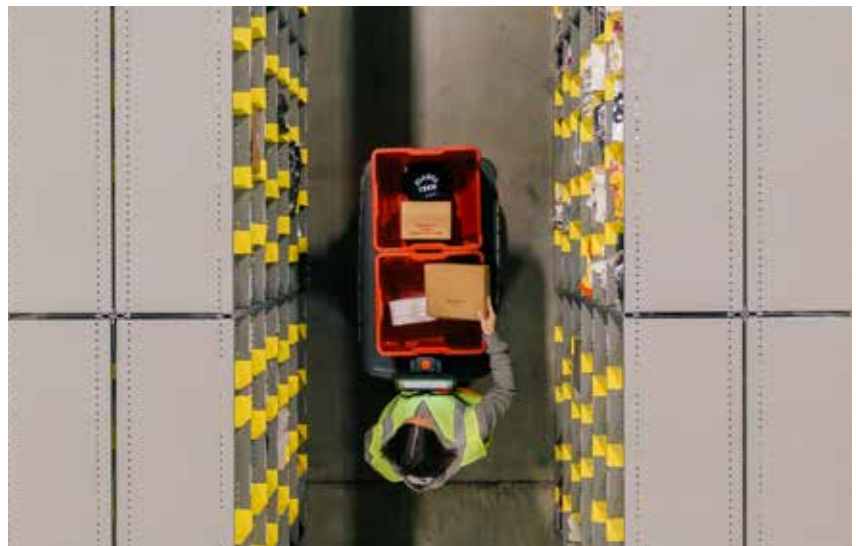


Photo: 6 River Systems

Glynn: "We're seeing a move toward wall-to-wall fulfilment solutions. This means that we will see robots in every step of the fulfilment process. The last year has proven that businesses need to be more flexible, and robotic automation will be key to meeting the predicted increases in demand going forward."

Beer: "As robotic systems become more mature, we expect to see different robotic platforms collaborate. For example, pallet-moving bots can support point-to-point movement of heavier cargo, while arm-type robots could be applied to sorting and ultimately, picking items for customer orders. The critical element will be how the systems communicate and interact with each other to complement an organisation's workflow."

How does understanding human psychology help develop more effective robotics?

Martinelli: "We use the analogy of a race car. It takes a team to design, build, test & support it, but the driver plays a key role in how it goes on race day, by understanding the machine and how to get the most performance out of it."

Beer: "People will always be part of the warehouse operation and ensuring that automation works like people work, rather than making workers adapt to automation is critical to improving comfort levels, not just worker productivity."

As an industry, robotics is as diverse as the sectors making use of it, and the application of robotics in supply chains has significant upside potential. In order to succeed however, organisations need hardware & software that is both nimble and scalable.

With so many moving parts (literally and figuratively), quite what its future will look like is a complex question. One thing is certain though; the advances and proliferation of robotics in the supply chain space is only going to accelerate over the next decade, so make sure you are talking to the right hardware and software partners to help you take advantage when the time comes.

WHOLESALE SUCCESS: SUPPLY CHAINS MAKE THE DIFFERENCE

Whether delivering to consumers or companies, the challenges for brands are similar.

Pieter Van den Broecke, Managing Director Benelux and Germany at Manhattan Associates, explains how technical wholesalers are becoming more efficient and the role their supply chains are playing in the process.



Recently, I had an extensive conversation with the chief supply chain officer of a technical wholesaler. Interestingly, it was identical to the talks I have had with retailers lately too. Like his B2C counterparts, he talked about the impact of ecommerce and changing order profiles; he mentioned transformational themes, such as new marketplaces, microfulfilment centres and picking or shipping online orders from local branches. And he too, noticed that many of the developments already been set in motion back in 2019 were accelerated by the pandemic.

This conversation was not an isolated one. Almost all wholesalers - certainly the technical ones - apply the same omnichannel strategy as retailers and focus on fast and efficient fulfilment networks. They have central distribution centres, regional hubs and local service centres where products can be purchased, collected or returned, and, if the need arises, they can deliver a rush order to the workplace from these local service centres.

All these concepts, which we already know from retail, are crucial for technical wholesalers looking to become more efficient and future-ready.

Supplier integration

There are more areas where technical wholesalers are trying to make a difference. Think of a rapidly growing product line, which enables them to act as a one-stop shop for their customers. Stocking full ranges of products is not cost-effective for any wholesaler, so the solution is to involve suppliers in the fulfilment process. They can deliver orders directly to customers or add the relevant products into the wholesaler's fulfilment network at the right time. However, this is only possible if suppliers connect seamlessly, both digitally and physically, to a wholesaler's fulfilment network.

A third element is transport. Virtually all technical wholesalers are organised nationally and have tiered distribution networks – in many cases, with their own transportation fleets. Even in the increasingly digital-first world of commerce, physical processes remain important, and every





ALL THE CONCEPTS WE KNOW FROM RETAIL ARE CRUCIAL TO BEING ABLE TO MAKE A DIFFERENCE AS A WHOLESALER.

element of supplier integration needs to be have the right combination of smart digital processes and flawless physical operations.

Increasing complexity

Complexity in the supply chain is increasing. Customers are placing smaller orders and demanding faster delivery times; but they are also not afraid to make last-minute changes to orders or even cancel them. At the same time, wholesalers are also experiencing the consequences of raw material and staff shortages and increased costs. The dilemma, as always, facing wholesalers is how to keep their promises to customers while preventing costs from spiralling out of control.

The answer is two-fold. First, it is key to implement an effective order management system which can provide insight into stock availability, allowing wholesalers to make the right promises to customers and organise fulfilment efficiently and reliably, whether or not involving suppliers. Secondly, is the symbiotic marrying of warehouse and transportation management systems that can simultaneously optimise the fulfilment network processes that little bit more. Just think of the benefits of being able to make incoming goods available for customer orders even faster, or having the ability to adjust orders right up until the moment the truck leaves its dock. We can deliver tomorrow's capabilities for you today.

Manhattan Associates®

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