CLICK & COLLECT

SHIP FROM STORE

RAPID RESPONSE:

How an international retailer turned on Ship from Store in just 5 days

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Unplanned store closures

What do you do when your stores are closed but you have inventory trapped in them that you need to move?

Or your warehouse capacity has been reduced due to social distancing but you need to ship more orders? Or your online orders have gone through the roof, but your online inventory isn't enough to satisfy every customer? Turn your stores into 'Dark Stores' by activating Ship from Store.

These questions were swiftly and effectively addressed by one of our clients in early April 2020. They were able to turn off Click and Collect and start shipping online orders from their stores within 5 days. Here are the steps they took to make it happen.

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1. Identified Stores

For initial rollout of Ship from Store.

First, the client identified a pool of stores to use as fulfillment centers for home delivery orders as a proof of concept.

Key considerations for this step can include:

- Inventory levels in each store

- Proximity to the largest number of customers

- Labor availability

- Access to delivery services and main trunk roads
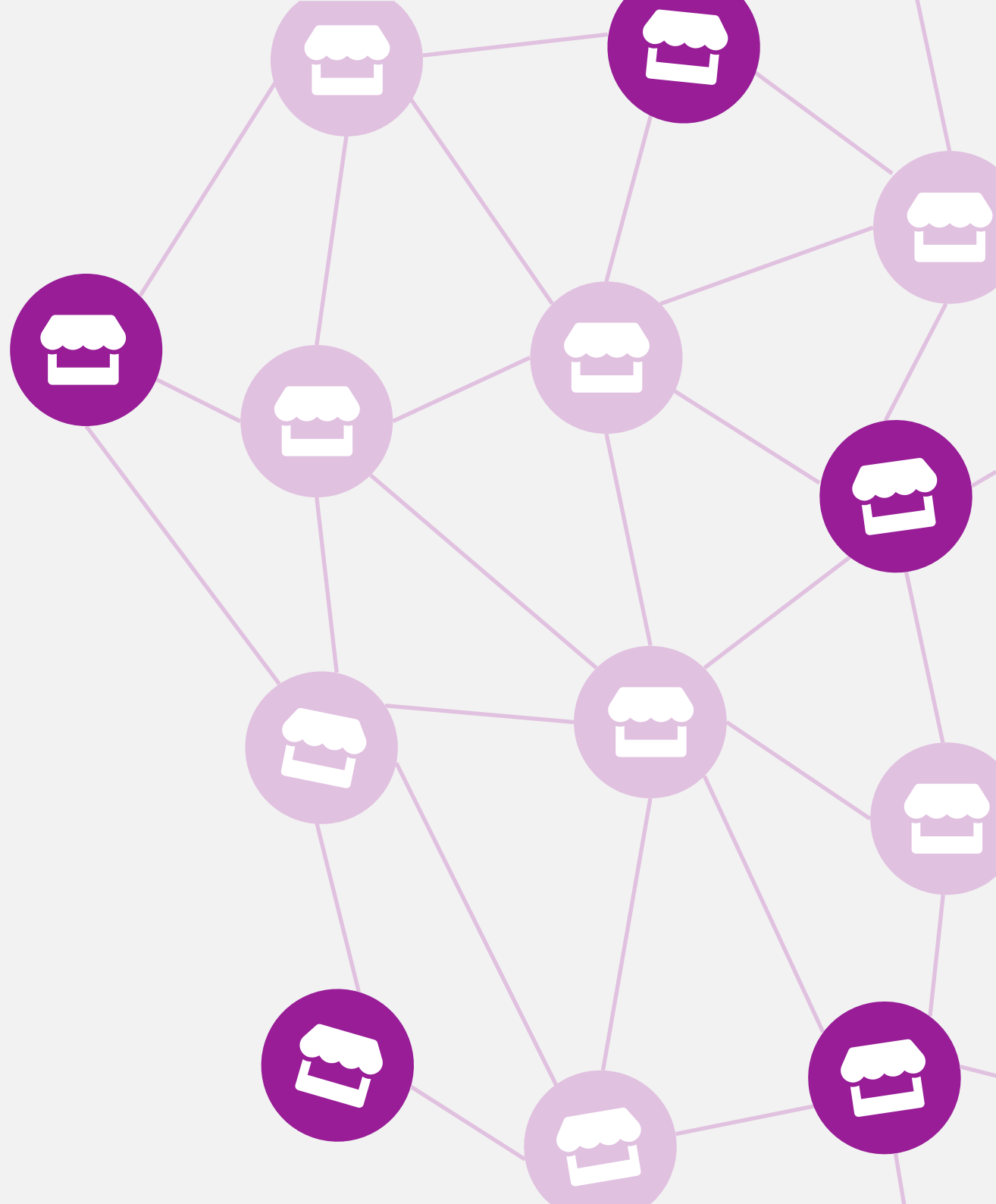
2. Updated their fulfillment network settings

Created a new network for stores to use as fulfillment nodes.

In **Fluent Order Management** a Location can be any fulfillment node or collection point, and a Network is a logical grouping of locations. The client was already using a DC (Distribution Center) fulfillment network, so simply configured a STORES fulfillment network.

This gave the client full control as they could dynamically add and remove stores from this network, plus the networks could be used in their Fluent order orchestration workflows to customize their order fulfillment logic.

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3. Uploaded store inventory data to Fluent Order Management

Identify what they could sell.

The client was already sending inventory data from their Distributions Centers to Fluent Order Management via an existing integration to their ERP system. They used this connection to upload store inventory data from their Point of Sale (POS) systems as well.

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4. Established minimum order value threshold for Ship from Store

To protect margins.

Because the fulfillment cost of shipping from a store can be higher than shipping from a DC, the client established a minimum order threshold for Ship from Store orders.

Only orders that met the minimum value were fulfilled from the stores, so they could protect their overall margin on each order.

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5. Updated fulfillment logic in Fluent Order Management

To maximize use of store inventory but minimize split shipments.

Previously, all Home Delivery orders were sourced from their DC network. So the client's fulfillment logic was updated to look at the STORE network as well, using the following logic:

1. Determine if the order is above the minimum order threshold for Ship from Store (otherwise route the order to the DC network)

2. If yes, choose the closest location (STORE or DC) that can fulfill the whole order (to reduce split shipments)

3. If not possible, fulfill as many items from a single store as possible, and the remainder from the DC (split shipment).

6. Created a simple pick and pack process

They will digitize it later.

When the goal is a fast ramp up, sometimes manual processes are best. In this case the client had staff print an order summary to use as a picklist, and login to their carrier's online portal to print off shipping labels.

It may not be as efficient as a fully automated solution, but it got inventory moving quickly, and they can digitize their processes to increase scale over time.

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Future Optimization

Fine tune the business rules.

In the future, the client plans to configure a maximum number of open orders that each store can have at any given time so as not to overload the stores. However this was initially de-scoped to keep the fulfillment logic simple so they could activate Ship from Store as quickly as possible.

Later, they'll use data from their first stores to determine optimal order loads per store and fine tune their fulfillment logic over time.

A win for the retailer, a win for their customers

To build long term loyalty.

As a result of this fast ramp up, stock has been "released" from the stores instead of sitting on shelves, growing stale and less profitable.

This means more sales, which equals more revenue. More importantly though, it helps rebuild trust.

Customers are especially fickle right now and careful with their spend. A disappointment due to an "out of stock" could drive them to a competitor. With Ship from Store you can satisfy their demands and even deliver orders to them faster than before!

You might not increase how often they shop with you during this crisis, but you will be able to secure their loyalty and long-term customer value.

Let us show you a better way to manage omnichannel orders

For more information, or to see how Fluent Order Management can help improve your Ship from Store process, request a demo today.

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