STORE TEMPORARILY CLOSED

tecsys™

10 Keys to **Buy Online, Ship-From-Store Success**

The uncertainty COVID-19 has imposed upon our businesses, families and communities is unprecedented. At Tecsys, we share your concerns. We are committed to helping you through this challenging time.

Most likely, one thing weighing heavily on the minds of retailers is ensuring business continuity while keeping your employees and customers safe. After a period of lockdown and social distancing protocols, the goal becomes minimizing the cost of holding your store inventory these last few weeks. Keep in mind, there will be customers that may be hesitant or still unable to make it into your stores. That's why it's critical that you start to determine your ship-from-store strategy now.

Here are ten keys to take into consideration when building your buy online, ship-from-store plan to help ensure your success.

1. Location

Not all locations are created equal. Not all store locations should be utilized for ship-from-store. It's typical for store locations to have variations like size, assortment and staffing. Strategically selecting stores that will be able to fully service order fulfillment for your customer is key. A simple, yet often overlooked concern is space for packing and staging.

2. Inventory

Inventory must be available at the store to ship, which requires you to have detailed and accurate tracking. Store inventory should be virtualized to prioritize and manage demand from in-store traffic in addition to online.

3. Labor

Retailers are sometimes averse to shipping from stores due to the disparity of labor costs between the store and the warehouse. Store associates typically have higher wages. This may increase labor costs for order fulfillment. This is where retailers should consider downtime, where their services can be repurposed for picking, staging and packing. Times such as early morning or the "mid-day lull" may be utilized for ship-from-store operations.

4. Consistency

Brand consistency is imperative to the customer's journey. Maintaining uniform packaging including inserts, invoices and return labels provides a seamless brand experience regardless of where the fulfillment occurs. Standard operating procedures around where picking takes place from what stock, where you physically package and ship from, and where you organize and put packages for pickup are also important consistency considerations. These practices can lead to savings in staff training by adhering to the same standards for shipping across all fulfillment locations.

5. Transparency

Customers do not need to know where their package is shipping from; however, connecting with your customers is a critical element of a successful buying journey. An easy way to do this is by providing visibility into the key elements of the fulfillment process. A detailed play-by-play is not required, but staying in contact using major milestone updates like **Order Confirmation**, **Shipment Confirmation** and **Expected Delivery Time** allows the customer to stay informed. Also, customers will typically be more forgiving in the unlikely event that something goes wrong if you are consistent with fulfillment updates.

6. Agility

Internal and external forces often change. This creates a very dynamic environment. As much as we may try to forecast demand, not all events are predictable. Employees do not show up or call in sick. Social influencers may cause a spike in demand. An unexpected event can happen. It is important you have the ability to adjust quickly and easily — setting capacities or turning fulfillment locations on and off. When your supply chain systems are agile, you gain a competitive advantage that ensures you operate most efficiently.

7.

Optimization

There are many variables in your fulfillment network that can be overwhelming to manage. Having different locations with different inventory levels and different carriers and rates often makes fulfillment decisions difficult. An intelligent engine that optimizes these decisions can deliver to you a better way to manage the product types, delivery times, shipping methods, product ranges, etc. It also lets you rest assured that you are delivering value to your customers and to your organization.

8.

Business Intelligence

As difficult as it might be to admit, the first try is not always right. In many cases, data points and key business metrics that highlight areas of improvement and opportunity may already exist. The challenge often lies in the extraction, consolidation and visualization of the data in order to translate it into actionable information. Highly configurable reports and dashboards are often key to the success of initiatives like ship-from-store.

9.

Shipment Rates

Presuming you have carrier contracts in place, what rates make sense to charge your customer? What kind of buying behavior do you want to encourage (e.g. thresholds to increase basket size) or even discourage (e.g. smaller consumables that cost more to ship than sell)? Do you want to offer free shipping to encourage loyalty? All of these need to be considered when introducing a new fulfillment type.

10.

Mobility

Move beyond the desk and paper order. Giving your associates mobile tools to facilitate picking and packing orders will increase their efficiency and ensure order deliver deadlines are met.

Putting It All Together

A successful buy online, ship-from-store model requires a dependable system to fulfill and package the orders from the store, place them onto a truck and then into your customers' hands in the quickest and most cost-effective way possible. This may seem like an overwhelming task. However, it is not necessary to make a complete overhaul of your back-end systems.

Give your business a boost — and avoid replacing your current infrastructure — by utilizing these ten keys and integrating a best of breed distributed order management solution into your IT ecosystem.