



Last Mile Delivery Options: Five Online Fulfillment Methods Every Retailer Should Consider



The next phase of retail has arrived. Customers now expect more shopping and shipping options than ever before. As these expectations grow, so should a retailer's ability to deliver on omnichannel retail experiences.

Even before the current inflection point in retail, shoppers had become more fickle about the retail services they wanted. It all began with the desire and ease of researching and buying online. Delivering a multi-channel approach first meant launching an online e-commerce site. It supplemented your bricks and mortar presence. Then once customers could buy online, they wanted to pick it up at the physical store.

Today, omnichannel retail means that shoppers can buy through any channel and have a single seamless brand experience. Shoppers can buy online and pick up curbside, as an example. As omnichannel has evolved, so have the number of options available. In addition to the traditional retail model based on foot traffic, retailers are looking for ways to modernize by giving shoppers new ways to buy their products.



Different Fulfillment Options for the Next Phase of Omnichannel Retail

1.

Drive Through and Curbside Pickup

By early 2021, 50.7% of Top 1000 retail chains offered curbside pickup based on an analysis from Digital Commerce 360's 2021 Omnichannel Report. Target and Walmart are leaders in curbside pickup and consumers will inevitably start to expect this same kind of service from other retailer chains. The challenge of this retail click and collect option can be a higher infrastructure investment (dedicated space for cars to stop for a pickup, process mapping). However, don't let this stop you from innovating. Pickup lockers might be a solution worth considering in this instance.

2.

Remote Pickup

Remote retail click and collect is a twist on the standard collection point. This option includes client pickup points which are more convenient for certain shoppers. For example, a trend in U.K. markets is the use of convenience (corner) stores as pickup points. Other options may include UPS, FedEx or Postal Stations as designated pickup points. This option provides a convenience experience which customers can associate with the retailer's brand. Remote locations may be a good way to differentiate your retail brand given the low number of retailers offering this choice.

3.

Reserve and Collect

Reserve and collect is perhaps one of the earliest forms of retail click and collect. Although easy to implement, it can have less than desired effects for retailers. Reserve and collect is challenged with a high level of failed collections. This can have the negative effect of tying up a retailer's inventory, when a client reserves, but fails to show up to purchase and collect the item.

4.

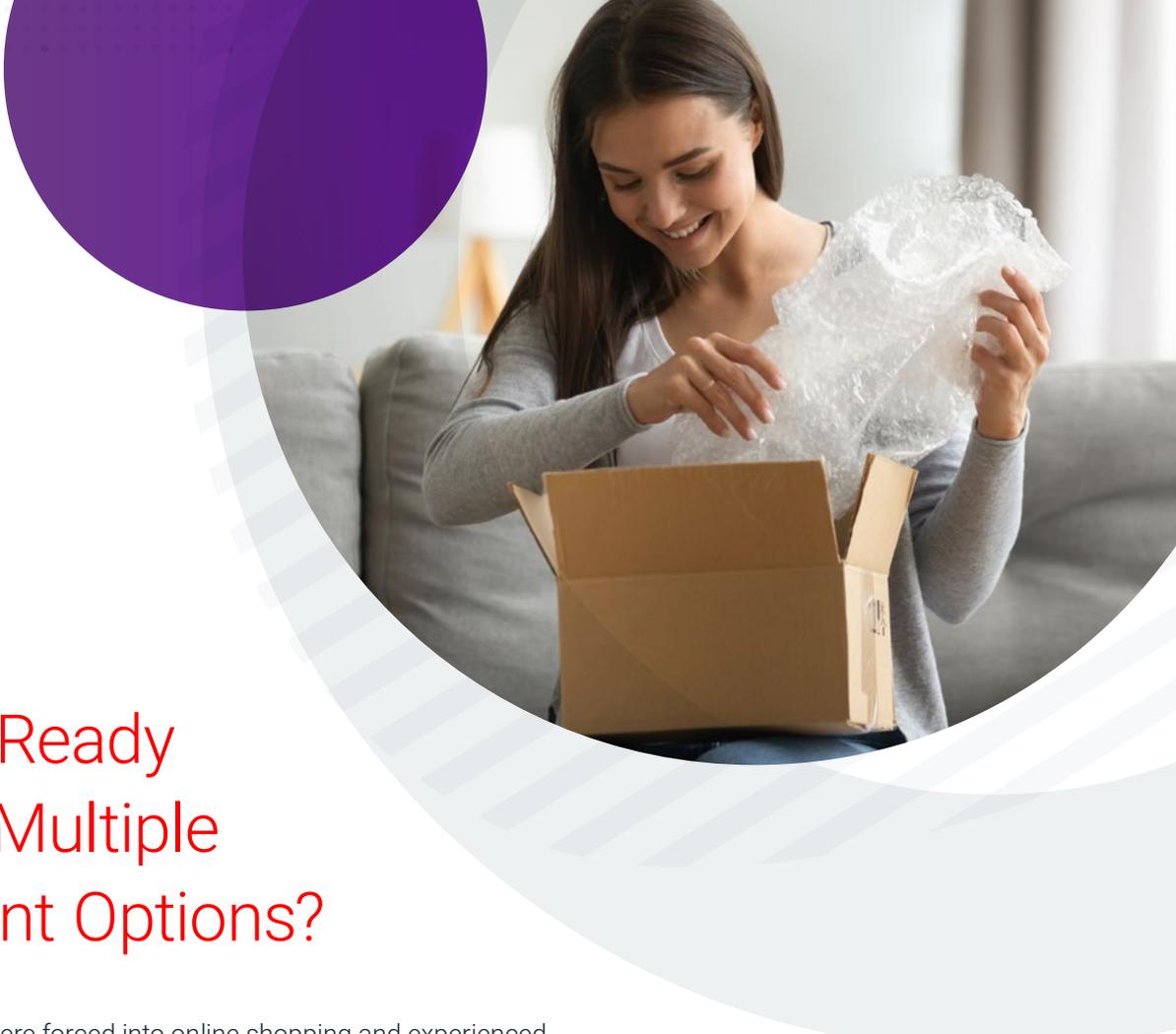
Ship from Store

Ship from store is an excellent way to control in-store inventory levels, maintain high inventory turnover and provide revenue support for a brand's store locations. It also offers the positive brand experience of giving the customer the broadest possible selection of options. Shipping from store may be among the most efficient and cost-effective methods of getting an item to a shopper.

5.

Drop Ship

Direct drop shipment from the manufacturer to the consumer bypasses the in-store requirement altogether and builds a parallel and borderless revenue stream. This solution may be an effective means of reducing the need for a retailer to hold large inventory positions. However, it can also become a costly option if consumer orders must be split for multiple shipments (and shipping costs) from different manufacturers. Keep in mind this has the potential to erode a cohesive brand experience that shoppers expect. When a customer orders a set of items, there is typically an expectation all the items will be shipped together and at the same time. Consumers don't want to have to track individual items when they were ordered as one cluster.



Are You Ready to Offer Multiple Fulfillment Options?

In 2020 consumers were forced into online shopping and experienced the conveniences of pickup and delivery options. With omnichannel shopping surging in popularity, it is incumbent on retailers to keep up with the fast evolving omnichannel retail industry and provide customers with what they demand.

Which of the above five retail fulfillment methods have you considered to boost revenues to offset in-store shopping lag?

[Learn more about retail omnichannel fulfillment](#) 