



SUPPORTING  
YOUR BUSINESS

# LOGISTICS ISSUES PLAYBOOK

— This playbook shows possible solutions in two areas: what can you do immediately to relieve your logistics issues, prevent loss of sales, inform your customers and unlock store stock? What can you do to prepare for the future?



# Intro

COVID-19 has a major impact on all our lives, and on the way we do business. It causes issues in logistics for almost all retailers: **in many countries, stores are closed**, and in others, store visits have decreased dramatically.

This means that **it has become much harder or impossible to sell stock that is in stores**. At the same time, **increases in e-commerce traffic** put unprecedented strain on warehouse staff, and can lead to issues with fulfillment and stock.

This playbook shows possible solutions in two areas:

1. What can you do immediately to relieve your logistics issues, prevent loss of sales, inform your customers and unlock store stock?
2. What can you do to prepare for the future?

- **Logistics**
- **Prevent loss**
- **Inform**
- **Unlock store stock**
- **Future**

# ACT NOW



# Additional order information to customer

## OPPORTUNITY DESCRIPTION

If order processing and delivery is slower than usual, provide more regular updates on order status to the customer, e.g. by email

## WHY IS THIS A GREAT OPPORTUNITY?

- For a customer, knowing the status of the order, and when to expect delivery, makes for a better experience

## HOW TO MAKE THIS ACTIONABLE?

1. Identify at which points additional emails (or other communication) could be sent to the customer
2. Identify if additional information can be shown on order history on the site
3. Implementation

# Maximum number of items per order

## OPPORTUNITY DESCRIPTION

Implement a maximum number of items per order, or maximum numbers of items in certain categories per order.

Communicate to customers that this is a measure to ensure fairness.

## WHY IS THIS A GREAT OPPORTUNITY?

- This makes sure that for high-demand items, enough stock remains available for all customers.
- Communicating about this shows customers that you care.

## HOW TO MAKE THIS ACTIONABLE?

1. Identify which products / categories should have a maximum amounts per order
2. Determine UX and messaging on the site
3. Implementation

# Improved warehouse efficiency

## OPPORTUNITY DESCRIPTION

If there are capacity issues in the warehouse, any 'extras' that take a lot of manual time should be disabled:

- ◆ Gift wrapping
- ◆ Personalisation / customisation
- ◆ Gift card creation
- ◆ Etc.

## WHY IS THIS A GREAT OPPORTUNITY?

- This reduces the pressure on warehouse staff; more orders can be processed

## HOW TO MAKE THIS ACTIONABLE?

1. Identify which actions take the most time
2. Determine whether these can be temporarily disabled / simplified

# Back in stock dates / notify me

## OPPORTUNITY DESCRIPTION

If there are stock issues because of unexpectedly high volumes of online orders, functionality can be added to the site to keep customers better informed and to prevent the loss of sales:

- ◆ Expected back in stock dates
- ◆ 'Notify me' feature to inform customers when a product is back in stock

## WHY IS THIS A GREAT OPPORTUNITY?

- This prevents some of the loss of sales due to lack of stock
- This makes for a better customer experience

## HOW TO MAKE THIS ACTIONABLE?

1. Analyse what is required to implement these features on the site (e.g. data from backend about expected back in stock dates)
2. Implementation

# Backorder and / or split shipments

## OPPORTUNITY DESCRIPTION

Allow backorders for products that are normally not shown on the site when sold out.

Enable the splitting of orders containing products that are out of stock into multiple shipments: the products that are in stock can be shipped immediately; while the out of stock products are shipped later.

Communicate to the customer about how and why the order was split.

## WHY IS THIS A GREAT OPPORTUNITY?

- Customers can place orders for products that are not currently in stock; this prevents a loss of sales.
- Customers do not have to wait for their entire order when a product is out of stock.

## HOW TO MAKE THIS ACTIONABLE?

1. Analyse what is needed to enable this in the OMS/WMS
2. Implement



# Drop shipment (B2B)

## OPPORTUNITY DESCRIPTION

Ship products straight from the manufacturer without passing through the store of an offline retailer (who generated and processed the sale).

This could be combined with a campaign to connect new (smaller) retailers (who may currently use other channels such as phone or email to place orders) to the B2B platform. In addition, a payment service provider implementation could be considered, so that these retailers can pay in advance rather than through purchase orders.

## WHY IS THIS A GREAT OPPORTUNITY?

- It will help the offline retailers to keep selling to their customers even if the shops are closed.
- It will help the manufacturer maintain sales

## HOW TO MAKE THIS ACTIONABLE?

1. Contact retailers
2. Create a plan to help offline retailers generate (local) sales
3. Consider internal impacts (returns)
4. Implement / enable drop shipment process

# Pick up or deliver from local store

## OPPORTUNITY DESCRIPTION

In countries where stores are still open, store stock view and click & collect functionality can be enabled

- ◆ This could be a very simple implementation with just an email going to the relevant store

In countries where stores are closed, this functionality can also be enabled: store staff can deliver the products directly to the customer ('click & deliver')



**T-Mobile heropent een deel van de winkels in heel Nederland**

T-Mobile heropent morgen 11 winkels die zijn ... [Lees meer](#)

## WHY IS THIS A GREAT OPPORTUNITY?

- Store stock becomes sellable again
- Store staff can do a useful job
- Relieves pressure on the warehouse

## HOW TO MAKE THIS ACTIONABLE?

1. Enable store stock to be visible from webshop
2. Investigate how payment could take place
3. Implement click and collect / click and deliver functionality in webshop
4. Train store staff

Example: T-mobile have converted a number of their Dutch stores into service locations. Customers can no longer come to the store to browse phones, but they can, for example, hand in a broken phone for repair.

# Improve return process efficiency

## OPPORTUNITY DESCRIPTION

Many retailers are experiencing a higher than usual number of returns. Customers have fewer return options (no returns in store) and have to wait longer for their refunds.

There are several ways in which a return process can be improved, e.g by:

- ◆ Return pre-announcements
- ◆ Opening additional return locations (e.g. in stores that are converted into service locations)
- ◆ Offering customers a pickup service from their home

## WHY IS THIS A GREAT OPPORTUNITY?

- Processing returns more efficiently reduces pressure on the warehouse and makes for a better customer experience

## HOW TO MAKE THIS ACTIONABLE?

1. Analyse where the returns process can be improved, and what is required to make these changes
2. Implement

# Picking priority

## OPPORTUNITY DESCRIPTION

- Adapt the dispatching and/or picking process to make sure that certain orders get picked first:
  - ◆ essential products
  - ◆ seasonal products
  - ◆ orders for loyal customers
  - ◆ large orders
- Inform customers on the site of expected shipping times based on picking priority of their order

## WHY IS THIS A GREAT OPPORTUNITY?

- This means that products or orders that are deemed more important get priority in a busy warehouse

## HOW TO MAKE THIS ACTIONABLE?

1. Investigate how complex it is to implement a change in dispatching or picking logic
2. Determine what products / orders should have priority
3. Test on the site what the impact is of communicated later delivery times for certain product types / categories
4. Implementation

# Count your store stock

## OPPORTUNITY DESCRIPTION

- If you intend to implement store fulfilment in the longer term, it is important to know what stock you have where. Have your store staff carry out a stock count

## WHY IS THIS A GREAT OPPORTUNITY?

- You are preparing for the future: knowing your store inventory will help you make decisions on store fulfilment, campaigns and discounts, etc
- The store staff is doing a useful job

## HOW TO MAKE THIS ACTIONABLE?

1. Investigate whether you have the resources available to do a stock count
2. Run the stock count

# Widened delivery times

## OPPORTUNITY DESCRIPTION

- Widen delivery windows to two or three days, instead of same-day or next-day delivery

## WHY IS THIS A GREAT OPPORTUNITY?

- It is easier to deliver in time - this reduces pressure on the warehouse
- Deliveries can be grouped per area
- Picking can be synched with the arrival of new inventory

## HOW TO MAKE THIS ACTIONABLE?

1. Investigate how this can be enabled in the OMS/WMS
2. Implement grouping of deliveries and / or synch of picking with incoming inventory
3. Implement, including communication to customers

# Partner fulfillment

## OPPORTUNITY DESCRIPTION

- If a retailer has increased online sales, they may have stock issues in their warehouse(s).
- Their supplier, on the other hand, may have stock they are unable to sell through their normal channels, since there is less demand from offline retailers
- Getting sufficient partner stock to the retailer's warehouse may be challenging and time-consuming. Therefore, the partners could start shipping directly to the end customer.

## WHY IS THIS A GREAT OPPORTUNITY?

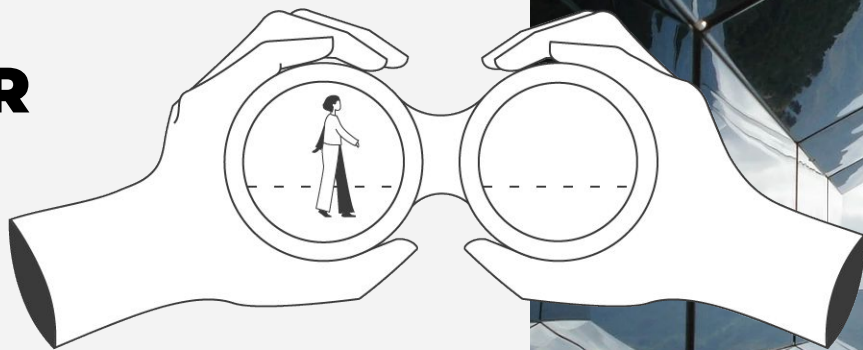
If it is challenging to get partner stock to the retailer warehouses quickly enough, implementing a partner fulfillment process means that both parties benefit:

- The retailer does not lose sales because of lack of stock
- The partner can sell their stock

## HOW TO MAKE THIS ACTIONABLE?

1. Discuss with suppliers whether they are open to partner fulfillment
2. Investigate process - for example, could normal B2B drop shipment functionalities be used?
3. Implement process on retailer and partner side

# PREPARE FOR LATER





# Store Fulfillment

## OPPORTUNITY DESCRIPTION

- Implement fulfillment from store: change your dispatching rules and send online orders either to a warehouse or to a store - fully or partially.
- Store employees receive the order request, pick and pack the order, and send it to the end customer.

## WHY IS THIS A GREAT OPPORTUNITY?

- The staff in closed stores can still do useful work
- This relieves pressure on the warehouse staff
- Store stock can still be sold even when the store is closed

## HOW TO MAKE THIS ACTIONABLE?

1. Investigate the technical requirements (dispatching functionality, in-store tools)
2. Determine the setup: you could set up a few stores as fulfillment centers, or all of them. Or you could have regional teams moving from store to store.
3. How will the orders be delivered? Can you implement courier pickups; can your staff do deliveries; can you use a service like Uber Direct?
4. Implement required technology and processes
5. Train store staff

# Store Fulfillment: Example

## EMERCE FULFILLMENT

Home / Fulfillment / Twintig winkels HEMA worden (ook) magazijn voor e-commerce



**Erwin Boogert**  
Emerce



15,9K

Nieuws - 20 april 2020 - 14:57

## Twintig winkels HEMA worden (ook) magazijn voor e-commerce



**Twintig grotere winkels van HEMA krijgen er een tweede rol bij; het worden ook distributiecentra van waaruit DHL orders ophaalt voor aflevering bij klanten van de webwinkel.**

Ook al zijn de winkels van HEMA open toch komen de meeste klanten deze weken via de digitale deur binnen. Het gevolg daarvan was, dat er vertragingen in de bezorging ontstaan. Het warenhuis was praktisch gezien niet op de digitale vraagexplosie ingericht. Vertragingen konden oplopen tot twee à vier dagen.

HEMA besloot daarom een extra distributiecentrum voor e-commerce in te richten en twintig grote winkels in het land een tweede functie te geven. Het zijn

orderpicklocaties geworden. De pakketjes die daar worden samengesteld gaan niet direct naar de eindklant, maar naar DHL. Die levert ze vervolgens af bij de consument.

# Improved Inventory Management

## OPPORTUNITY DESCRIPTION

- Implement improved inventory management, to enable:
  - ◆ View on all inventory, accessible from e.g. webshop
  - ◆ Inclusion of inbound stock
  - ◆ Inclusion of partner stock
  - ◆ Virtual catalogs to segment what channel has access to which inventory

## WHY IS THIS A GREAT OPPORTUNITY?

- Allows for clear view on inventory
- Allows to sell more stock
- Prevents loss of sales because of lack of stock

## HOW TO MAKE THIS ACTIONABLE?

1. Investigate current inventory issues
2. Determine requirements for inventory management solution
3. Implementation



## EMAKINA

Even now - especially now - there are a lot of opportunities to be found. Some are simple improvements that should have been in place, others can be seen as low hanging fruit, but most opportunities need a change in the way you think about business as usual.

Whatever you'll start doing, **you will need to act fast**, and availability of people and plans is critical. We made our most experienced people available to help you achieve maximum results in this complex time.

*This playbook is part of a growing series of publications especially created to help e-businesses get through Covid-19.*

WE'RE HERE TO SUPPORT.

## LET'S GET STARTED! CONTACT US.

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