Direct Store Delivery in a rapidly evolving market

infios

a Körber company

Introduction

Today's consumers have a multiplicity of choices at the retail level that would astonish previous generations. And just as this represents convenience and advantage to shoppers, it also represents both opportunity and challenge for the distributors and wholesalers who move the products from their producers to the retailers and their patrons.

The opportunity is the ability to offer an increasingly broad product portfolio, resulting in correspondingly higher sales volume. Where a typical family-owned wholesaler might have prospered with two or three dozen items, today's market environment can require that they increase their offerings often into the hundreds of products. Distributors, generally more corporate in nature, face the same situation but one which is often made more complex by SKU counts that can reach into the thousands.

Expanding opportunities

Direct Store Delivery (DSD) long was the province of perishable food product purveyors, but the process has been increasingly applied to non-perishables as well—among them, soft drinks, batteries, hair products, and a variety of items found at the check-out counter as well as many items that fall outside the grocery field. The list continues to grow.

At the warehouse end, the proliferation of products handled by wholesalers and distributors has long been manageable through the use of technology, with field orders keyed in to a computer which then generates the necessary paperwork. Such solutions have tended to be warehousing and accounting task-specific, with most operating within proprietary technological boundaries—e.g. Microsoft®, Apple/Mac®, or legacy solutions with custom-programmed applications. Application software generally has been oriented to serve a set of requirements defined by the market orientation of a particular market segment.

Typically, such technology still stops at the warehouse door; field personnel remain tied to their manual order pads or antiquated technology, replenishing retailer stock directly off their trucks or operating in a two-step process in which an order is taken at the customer site and submitted to the warehouse for next-day delivery.

Tech tools on the route

Conversely, Infios's Direct Store Delivery solution is specifically intended to work outside the warehouse walls, providing sales personnel and route drivers with unrivalled flexibility in taking, filling and modifying retailer orders on-site. Deployed on consumer devices like tablets, phones or rugged handhelds, these solutions are both device and operating system agnostic. Empowering users to select a form factor best suited to their unique requirements, and allowing them to work within any computing environment and capable of communicating with warehouse systems via wi-fi or cellular. Distributor/wholesaler field personnel can use their choice of portable/mobile computing devices—smartphone, laptop or handheld computer—to communicate directly with the in-house system even while the sales call is in process.

Equipped with whatever device is most effective for their purposes and with both extensive device data storage and wireless access to the warehouse/DC product database, field personnel thus have ready access to comprehensive information on pricing, promotions, inventory levels and more: real time support for sales calls.

Orders can be captured by a sales rep using a device at the retailer site, or imported from other sources such as OMS systems, ERP platforms, or online channels, and transmitted wirelessly to the warehouse or distribution center.

Next day, a driver arrives with the merchandise, completes the delivery, secures an acknowledgement of the delivery on his Apple® iPhone®, Android™ or similar device and forwards it wirelessly to the warehouse or distribution center. In a route sales situation, perhaps only the route sales person is involved, both taking and fulfilling the order and completing the transaction using the wireless device.

Information availability

With product offerings continuing to expand, it can be difficult for field personnel to manage promotions, especially those relating to lesser known products or brands—those most likely to need special attention. With the continuously updated product catalog only clicks away and the ability of the solution to alert the on-site sales person to all available promotions, it's less likely that opportunities will be overlooked during the sales call.

Similarly, immediate access to incentive programs can be valuable in dealing with order changes. For example, a retail buyer might initially have ordered ten cases of Product X, but on delivery has decided to reduce the order to eight.

With current promotion and/or volume pricing information available to recalculate the applicable pricing (with our without connectivity) the sales rep/route salesman can quickly and easily demonstrate the profitability advantage of staying with the larger order.

A related example concerns the availability of product in the warehouse. An alert feature in the device can inform the route sales person of an impending out-of-stock situation, allowing the rep to suggest an alternative and/or to divert the limited stock to a more productive customer.

3
JOURNEY STARTS

2
WAREHOUSE LOAD/STAGING

1
ROUTE PLANNING & OPTIMIZATION

DIRECT STORE DELIVERY

Store visit execution
• Check-In/GPS arrival
• Sales order entry
• Delivery
• Inventory audit
• Counts
• Merchandising tasks

Invoice/order generation & signature
• Digital invoice creation
• Signature capture

Return handling
Capture damaged or rejected goods

Store departure and post-delivery sync
• Check out
• Time/service confirmation
• Data sync back to ERP/host
• Update inventory/order status

4
DAY END
• Settlement
• Unload
• Final sync

Analytics and audit trails

In-store promotions are designed to move goods, and Infios's DSD solution provides real-time analytics that allow the salesperson and his/her customer to examine, evaluate and adjust a variety of related factors such as initial sales, returns, and profit impact. The availability of instant feedback allows them to adjust the conditions of promotions as well as decide whether to continue, cancel or replace them.

Meanwhile, the DSD solution maintains comprehensive records of all transactions as well as detailed information on such critical factors as the shelf life of various products, recalls and regulatory issues.

Implementation

Infios's DSD solutions are standardized to serve a growing list of individual industries with no custom development required. Thus, they can be installed easily by distributor/warehouse customers, usually with Infios assisting with the initial install. Once the first implementation has been accomplished, customers with multiple facilities normally are able to extend the solution to the additional units on their own.

The solutions are highly configurable off-the-shelf, with no custom development required, ensuring benefits of future upgrades, and they can be integrated with many other software solutions.

CONCLUSION

Both the distribution and retail communities can accrue significant benefits through Infios Direct Store Delivery solutions. Users are able to select device form factors that best serve their functions and they no longer have to rely on memory for promotional and discount offers. Field personnel can make more stops per day, with more sales per stop, and they no longer have to call the office to confirm details such as product availabilities and quantity pricing. They cope easily with product proliferation, and with an abundance of information at their fingertips they are positioned to be serious contributors to their retail customers' success.

See how Infios's Direct Store Delivery solution can help your business.

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