

2024

WINNING FULFILLMENT STRATEGIES: HOW TO ELEVATE YOUR OMNICHANNEL RETAIL LOGISTICS

Master these innovative practices and maximize your business growth in 2024 and beyond.





TRENDS? YOU DON'T NEED TRENDS.

And you don't need to spin your wheels trying to predict the future. With the incredible interconnected nature of our global economy today, you can almost guarantee that each seemingly small supply chain disturbance on the other side of the globe will eventually find its way to your doorstep.

The only things you can bank your strategy on are those that will never change. Your customers will always want: speed, resiliency, and dependability. To consistently meet these expectations and fulfill your promise, your supply chain strategies have to be malleable enough to adapt to real-time conditions no matter what the world throws at you. Don't try to predict the future. Instead, be ready for the unknown.

Don't fall victim to clickbait articles like "here are the 2024 3PL trends that will change your life". Chasing the latest shiny objects as we enter into the economic headwinds of 2024 will do more harm than good. Now, more than ever, is the time to absolutely nail the things that will, without a doubt, move your business forward. We call these your "Brilliant Basics."

Slower Delivery, Lower Conversions

Put yourself in your customers' shoes; you've finally found the item you need at a price you can afford, you hand over your hard-earned money, then you wait. And wait. And wait.

While it may not be your fault that varying factors have made it impossible to achieve a timely delivery, the way those customers now perceive your brand and business has changed for the worse, and they likely will think twice before purchasing your products again. Slow delivery frustrates your customers, leading to a poor overall shopping experience. When customers have to wait longer than expected for their orders to arrive, they become impatient and unhappy. If this general dissatisfaction isn't enough to light a fire under you these statistics will - 22% of shoppers drop out of a shopping session because their shipping experience is expected to be slow and 76% say that unacceptable delivery experiences strongly influence their desire to shop with a particular retailer again. This frustration deters them from making future purchases or recommending your business to others, which leads us to our next point: prioritizing fast delivery is the number one tactic to foster a loyal customer base and drive successful conversions. Offering two-day or expedited delivery greatly enhances customer satisfaction, creating a positive experience that encourages positive word-of-mouth, bolstering your brand's reputation and attracting more customers.

Slow delivery times are particularly damaging during peak shopping seasons or for time-sensitive promotions. If customers can't receive their orders in time for a special occasion or holiday, they are likely to look elsewhere for their purchases. Love it or hate it, making the period between the moment they click 'Buy' to the moment their doorbell rings as short as possible is key for any brand looking to grow.



76%

of customers will stop shopping with a retailer over unacceptable delivery experiences

Here Comes Another Disruption

Supply chain disruptions, as we've seen in recent years, are unpredictable and often come when they're least expected. With them comes delays across the entire journey, from receiving raw materials or finished products to getting products into the hands of your customers. This guarantees lost sales or lower margins that no retailer wants. On the other hand, if you overcompensate for potential supply disruptions by overstocking, you rack up capital costs unnecessarily. All the while, you're thinking, 'What's the status of my stock? Why can't I get one step ahead? Why can't I stay one step ahead?"

When your supply chain experiences disruptions, it cuts your fulfillment capabilities off at the knees, resulting in a legion of dissatisfied customers who are more likely to buy from competitors with more reliable supply chains. In the US alone, a whopping 60% of consumers claim they can't get the products they've ordered due to shortages or delays. Before you know it, the loss of market share you've experienced is bad and quickly getting worse. What's more, the lack of insight you have into the status of your stock will completely hamstring your growth. Inaccurate or inconsistent supply makes it impossible to engage in demand forecasting and planning for the future. If you can't rely on a steady supply of goods, it becomes challenging to make accurate inventory management decisions based on expected demand. This inconsistency can lead to either excess inventory or stock shortages, both of which negatively impact revenue by increasing costs or missing sales opportunities.

What's the Solve?

The challenges aren't going to go away, but that doesn't mean you can't reimagine your fulfillment strategies to get—and stay—one step ahead of them. Here are the 3 Brilliant Basics (the core activities that will make or break your business) to master if you want to move your bottom and top lines in 2024.

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BRILLIANT BASIC 1: Get There—Faster

It's a tale as old as time: Faster delivery times lead to happier customers. When businesses deliver products or services quickly, it enhances the customer experience and increases overall satisfaction. After all, satisfied customers are more likely to become repeat customers and recommend your business to others. Nowadays, approximately 80% of consumers claim that shipping speed plays a majority role in deciding who they want to shop with, and getting them what they need when they want it leads to as much as 7% more annual sales. And if you're feeling like it's all on you to simply do better and offer more, that's not quite the case. While over 60% of shoppers claim they expect their orders to arrive in less than 3 business days, they're also ready to pony up for their expectations, with some studies indicating over 40% of consumers are willing to pay extra for faster delivery and 56% claim they'd spend up to an additional \$5.

But the value of this takeaway goes deeper than that. A focus on speed encourages businesses to streamline their supply chain processes. This often involves reducing lead times at various stages of the supply chain, from procurement to production and distribution. By utilizing a multi-node fulfillment network and positioning inventory closer to your customers, you can not only expedite delivery but also minimize risk, cost, and carbon footprint. Shorter lead times improve agility and responsiveness, and make it easier to respond to changes in customer demand. This can lead to more accurate demand forecasting, which in turn helps in managing inventory levels effectively.

60%



WERC DC Measures 2019 Industry Standard Standvast

Brilliant Basic 2: Use Diversification to Protect Yourself from Risk

It's funny how 'risk' sparks a sense of fear and urgency in people. If anything, risk should be afraid of you. The first step to mitigating risk is diversifying your distribution nodes. By having multiple shipping nodes in different geographic regions, you reduce the risk of supply chain disruptions caused by localized events, such as natural disasters, labor strikes, or transportation issues. If one location faces a problem, others can continue to operate, ensuring a consistent supply of products.

To make this an affordable logistics reality, you have to have a multi-node network of fulfillment centers strategically placed across the country to move fast and keep your last-mile costs down. That said, with a multi-node network, don't fall into the trap of thinking that more is better.

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Spreading your inventory across too many fulfillment centers and having to manage that distribution costs more than it saves. Generally, 3-4 well-placed fulfillment centers for most businesses is more than enough.

Multiple fulfillment centers help you reach your customers more quickly. By positioning your inventory closer to your customers, you reduce transportation times and costs. This leads to faster deliveries, which improves customer satisfaction and support same-day or next-day delivery options. And what's more, diversification helps you enter new markets and regions more easily.

Here's the most important part: diversification helps you win when demand fluctuates. Different regions experience varying levels of demand at different times. Diversifying your fulfillment centers provides flexibility in responding to regional fluctuations in demand, helping you avoid stock outs or overstocking.

Here is a little known trick: Place your fulfillment centers, or find a partner that has fulfillment centers, near major Amazon hubs. If you're an FBA (fulfillment by Amazon) brand, the value is obvious for your Prime status. If you're not an FBA brand, the value is equally high because Amazon has spent millions of dollars figuring out the best places for their hubs. Use their thinking and save yourself a lot of research time and operating capital.

Brilliant Basic 3: Find Resilience In Better Data

High-fidelity fulfillment data is an essential tool for businesses aiming to grow and adapt guickly in today's fast-paced market. This type of data provides a detailed and accurate view of every aspect of your business operations, from the current stock levels to the speed of order processing and delivery. It's like having a high-resolution map of your entire supply chain, enabling companies to respond swiftly to market changes and prevent any issues that might disrupt their supply chain.

Think of it as a sophisticated GPS for your business operations. With this detailed data, you can precisely forecast customer demand, ensuring the perfect balance of inventory. This means avoiding both the chaos of overstock and the pitfall of running out of popular items. Moreover, it's not just about inventory management; this data streamlines the entire journey of a product from the fulfillment centers to the customer's doorstep. It helps in optimizing operations for maximum efficiency, and in choosing the best shipping and delivery methods. Customers benefit too, as they receive real-time updates about their orders, enhancing transparency and trust.

On a strategic level, high-fidelity fulfillment data is invaluable for making informed, long-term decisions. This isn't about making educated guesses; it's about having solid, data-driven insights that guide business strategy and planning. Improving supply chain visibility and accuracy is not only cost-effective and resilient, but it can also lead to double-digit growth in NPS, up to 75% reduction in WISMO (where is my order) calls, and even reduced transit time. In essence, high-fidelity fulfillment data isn't just a fancy buzzword; it's a critical component for any business that seeks to not only survive but thrive and stay ahead in a constantly evolving marketplace.

Being Different Makes All The Difference

Why Standvast Is The Partner You Need Now

Discover difficult realities. Establish effective workarounds. Lather, rinse, repeat. But where does innovation fit in this narrative?

Eventually, the right move for your business growth is to think like a customer again. Do you want to trust your supply chain with someone who doesn't plan for the unexpected? Would you want to bank all the needs of your growing business on a resource that isn't flexible, agile, or known for taking the industry to new heights?

Yeah, neither would we.

Not Your Father's 3PL Resource

Standvast was created by 3PL technology innovators who excel at seeing where things can and should be better in your supply chain management processes and making it happen. That's how we help build the Amazon Fulfillment Network, which, next to our continued innovations, continues to function as a blueprint for all of the market's most successful digital retailers. We don't even like to think of ourselves as being a part of the 3PL industry as it's known today, because we're already leaving the legacy world of 3PL behind and have moved on to the level of advance supply chain and fulfillment.

We've strategically located our fulfillment centers for optimal delivery times and benefit to your business-increasing conversion rates, margins, and customer loyalty while lowering your operating costs. Couple this with our flexible and simple-to-manage composable fulfillment services and you have a sustainable solution that satisfies your customer demands while meeting your retail and ecommerce needs.



Reduced Variation and Errors

Experience fewer disruptions and higher customer satisfaction ratings when things go smoother throughout the supply chain.



Improved Inventory Turns, Placement, and In-stock Levels Operate using more consistent, reliable

inventory data that is transparent throughout your organization.



Improved Reliability

Get the confidence that comes from knowing your fulfillment system is performing optimally around-the-clock.



Lower Costs and Higher Margins

When your supply chain gaps are filled and inefficiencies are addressed, the natural result is a healthier bottom line.



Better Customer Experience

The Standvast customer-centered approach results in more repeat buyers who spend more when they engage with your brand.

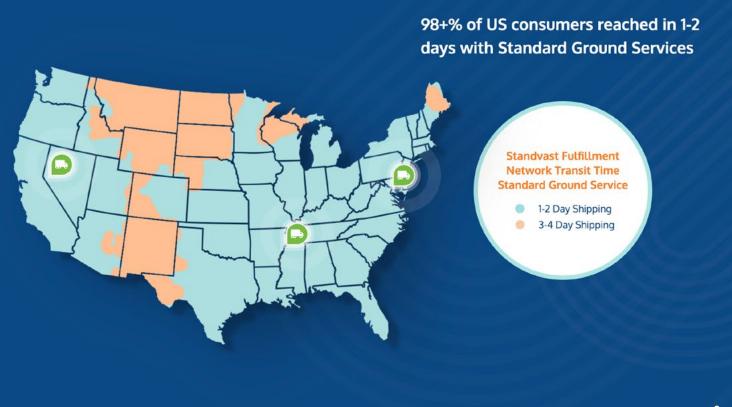
FULFILLMENT SERVICES SUPPLY CHAIN TECHNOLOGY PROFESSIONAL SERVICES

monolithic.

With Standvast, you easily control the speed and accuracy of your deliveries to customers through a high-powered network of fulfillment centers strategically spaced out across the country. You can make better decisions about your inventory with our real-time data, and integrate with Shopify, NetSuite and hundreds of other systems. And, because your business isn't a one-size-fits-all kind of entity, we can craft a composable suite of supply chain management solutions specifically tailored to your business needs. Because that's what your business deserves.

Standvast supply chain technology solutions include:

- Supply Chain Planning and Forecasting
- Inventory Purchasing and Allocation Engine
- Order Management Systems
- Warehouse Management Systems
- Inventory Visibility and Controls



Less About Us, More About Us Together

Right now, your business is in or primed for a period of high growth, but your fulfillment demands have never been more complex. You're looking for fulfillment support that can cover off on your D2C sales, retailer replenishment, and marketplace sales—and you can't settle for anything less than an all-in-one integration that brings simplicity to your supply chain operations. You need technology, and you need support with managing it. You need control. For all of these reasons, you're our perfect customer.

We're the ecommerce fulfillment and supply chain technology services partner that rescues Direct-to-Consumer, Amazon sellers (FBA, FBM, SFP, VC), B2B, and physical retail businesses from monolithic, inflexible, or outdated solutions. We can augment or replace all or part of your current solution with no fixed fees, upfront investment, capital outlay or integration costs.



Composable Solution

Only use what works best for your DtoC business. Standvast makes it easy with composable solutions that are simple and flexible, so they scale as you grow.



Improved Profitable Growth

Spend less time and money by managing a more efficient, right-sized supply chain ecosystem that delivers more for your customers.



Reduced Risk

No upfront or fixed costs allows you to scale as you need without the risk. Our FC services and technology will provide a better service with less errors and variation making this an easy choice.



Better End-customer Experience

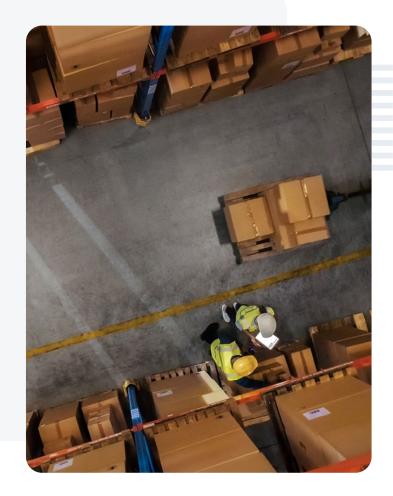
Enjoy enhanced customer loyalty and more repeat business from a customer base that is delighted to do business with you.

YOU DON'T NEED TRENDS. YOU'VE GOT STANDVAST.

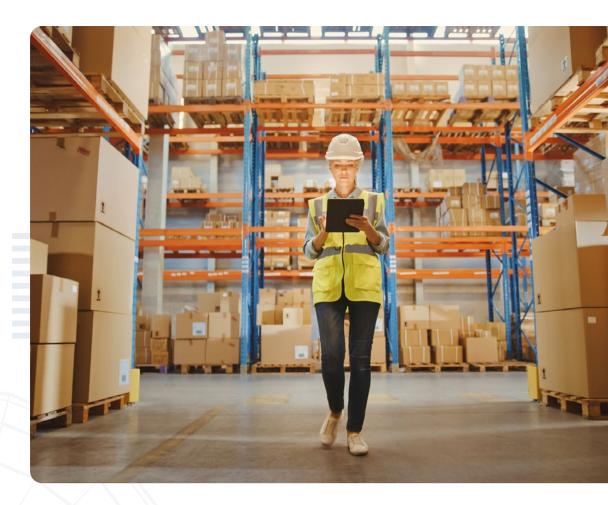
There's no crystal ball that can help you avoid the changes in the market that are totally unpredictable, yet destined to come. But with our composable solutions Standvast can fold into your supply chain management processes today. While the competition is still scratching their heads wondering which trend will save them from themselves, you'll be going further, doing more, and rising to the challenges your growing business is bound to face.

If you're ready to fulfill the promise of your business and reduce your worries about what the future will bring, you're ready for the kind of partnership only Standvast can offer.

Terry Flanagan Business Development tflanagan@standvast.com







STANDVAST Fulfill Your Promise

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