

Buyer's Guide

Adaptive Fulfillment and Warehousing for Retail

Drive leaner, more competitive micro-fulfillment center operations with modular solutions you can hand-pick, orchestrate, and scale at your own pace. Now you can compete on service without compromising on profit.



Who Is This Buyer's Guide For?

Whether you're activating your first micro-fulfillment facility or planning 20 more, this Buyer's Guide will help you pick, combine, and apply the right mix of Adaptive Fulfillment and Warehousing microservices for adding to and augmenting your existing architecture.

We're Already Activating Micro-Fulfillment Facilities, but We Need to...

- Improve inventory visibility and accuracy
- Accelerate site activations
- Fast-track time-to-value
- Augment existing architecture
- Reduce reliance on tenured staff

We're Thinking of Launching a Micro-Fulfillment Strategy And We Need to...

- Prove feasibility to key stakeholders
- Get workforce up and running ASAP
- Avoid reliance on ERP for fulfillment
- Keep CapEx and OpEx manageable
- Reduce total cost-to-serve



How To Use This Buyer's Guide

What's on Your Micro-Fulfillment Maturity Agenda?

Simply browse whichever Blue Yonder Adaptive Fulfillment and Warehousing (AFW) capabilities best match the most urgent operational challenges you need to overcome.

| |
|---|
| “I need to scale rapid receiving and Inbound Processing ” |
| “I need effortless and errorless Cross-Docking ” |
| “I need real-time Inventory Visibility and Control ” |
| “I need to boost accuracy and agility in Outbound Processing ” |
| “I need more competitive options in Store-Fulfillment ” |
| “I need to track MFC performance via a Store Command Center ” |
| “I need more powerful, simpler MFC Resource Management ” |
| “I need to curb and control costs in Last-Mile Delivery ” |



Supply Chain and Logistics Leaders

“I need to boost capacity cost-effectively, while avoiding stockouts and delays that hurt relationships”



Distribution and E-Commerce Managers

“I need a way of guaranteeing delivery against promise while seeing profitability by item”



Logistics Solutions Designers and Architects

“I need a solution that just ‘works’, fast and flexibly, in line with our innovation roadmap”



Heads of IT and Digital Solutions

“I need a SaaS-native solution that won't force us to rip out our architecture”



Store Operations Leaders and Managers

“I need a way of lowering OpEx to make room for competitive budget”

Introduction

By now, few are strangers to the “Black Swan” events of the COVID-19 pandemic that forced pivots and bolt-ons to omni-channel e-commerce, particularly for retailers of perishable and essential goods.

Back then, micro-fulfillment had no time to mature slowly. Retailers’ digital transformation strategies went from being a long-term road map to an overnight necessity.

Steering Blind

Back in early 2020, incredible circumstances exposed an almost total lack of access to proper visibility of store inventory. But not just visibility — availability also, and general movement of goods through supply chains and e-commerce omni-channels.

Retail in pandemic mode just didn’t have the luxury of time. The switch to a micro-fulfillment model was knee-jerk — a necessary pivot that wasn’t perfect, but it kind of worked.

Immovable Architecture

On pivoting to rapid fulfillment workarounds to cope with daily surges in demand, retail also realized a need to revisit legacy infrastructure — much of it immovable and monolithic.

Many times the solutions retail pivoted with, whether order management systems (OMS), ERP or others, were built for single-use cases. Thanks to such rigidity, upgrades, adaptability and customization were either luxuries or non-existent.

What were the effects of this? Businesses were forced to weigh whether to take the hit on cost to redesign more tailored systems, or stay put with limited, but at least stable, fulfillment environments.

A final pandemic challenge for monolithic retail architecture was that even minor system requirements often demanded application rewrites or significant customizations due to ineffective pricing methods.

Blue Yonder’s Adaptive Fulfillment & Warehousing Shifts the Paradigm

With the global pandemic exposing holes in two-way inventory visibility and availability, retailers of all kinds are hitting “go” on micro-fulfillment.

But getting it right means thinking about micro-fulfillment as strategy, not an on-the-fly workaround. Amid the pandemic, grocery retail didn’t have that luxury. Fortunately, now the rest do.

For retailers intent on staying relevant and profitable, get ready for what’s coming in e-commerce. Blue Yonder’s Adaptive Fulfillment and Warehousing provides a composable path to micro-fulfillment maturity as strategy — no pivots, no bolt-ons.

Now micro-fulfillment doesn’t have to be a tradeoff between relevance and profit — it can be about both.

The Six Stages of Micro-Fulfillment Maturity

According to Tomorrow Retail Consulting CEO Jordan Berke — also one of the forces behind Walmart’s e-commerce expansion in China — there are six stages in the micro-fulfillment maturity curve.

No matter where you are on your micro-fulfillment maturity journey, the Adaptive Fulfillment and Warehousing capabilities you’ll see coming up can be selectively chosen and applied for scaling to the next level.





Introducing:

Blue Yonder Adaptive
Fulfillment & Warehousing

“I need to reduce costs in

Inbound Processing”

Gain immediate visibility of incoming inventory and broaden receiving capabilities against purchase orders and Advanced Shipping Notice (ASN).

[Get a demo →](#)

A must-have modular capability for fast-paced environments and teams intent on making cumulative marginal efficiency gains across planned, newly activated or established micro-fulfillment facilities.

Keep Inventory Flowing With Simplified Trailer Check-In

Reduce wait times for truck drivers and maintain flow of inventory, helping impact customer satisfaction and repeat orders.

Run Leaner and More Adaptively With Directed and Undirected Receiving

Intuitively configure receiving in line with changing needs and scenarios, and impact inventory accuracy, without costly interventions.

Avoid Delays and Setbacks With Directed and Undirected Putaway

Put an end to costly errors like running out of storage space, misplacing inventory, and shipping inaccurate orders.

Innovate Fresh Efficiency With Ship to Store Receiving

Bypass pick and pack processes completely and fast-track items direct to outbound to stay on promise and competitive with service.

“I need reliable, flawless

Cross-Docking”

Save on operational costs and reduce or eliminate mid-stage storage while speeding up picking and dispatch.

[Get a demo →](#)

Ideal for stretched fulfillment centers, perishable goods, or processing large volumes without a hitch.



“I need to reduce operational blind spots, with full
Inventory Visibility and Control”

Relieve fulfillment teams of the guesswork,
stress and uncertainty typical of manual
inventory tracking.

[Get a demo →](#)

A prerequisite for retailers intent on standardizing
operational performance and profitability across
multiple micro-fulfillment center activations.

Keep Counts Virtually Errorless With
Mobile Counting

Perform inventory counts on the go with discrete mobile devices,
saving time and keeping accurate consistency.

Get Relevant Ops Insight With
Inbound Activity Reporting

Easily monitor inbound shipments on-site or on the go and direct
operations more adaptively when you know snags are coming.

Get More Relevant Ops Insight With
Outbound Activity Reporting

Sustain tight oversight of outbound shipments and identify
potential delays early to take corrective action for timely delivery.

“I need to boost accuracy and agility in

Outbound Processing”

Allocate smart rules and sequencing for FEFO, FIFO, LEFO, and LIFO while making exclusions for expired inventory and on-hold locations.

[Get a demo →](#)

A powerful feature for retailers with a key focus on fast, secure loading and rapid replenishment of forward pick locations.

Stay Ready To Deliver With Advanced Replenishment

Fulfill on promise with user-defined replenishment rules for adapting SKU quantities parallel to demand patterns.

Ensure product is available for customers in “store” scenarios or pickers when items are needed, rather than sitting in the backroom unavailable.

Declutter Inventory Workflows With Directed and Undirected Picking

Help teams work leaner and less chaotically while supporting operational efficiency with directed and undirected picking, complete with logical tour building.

Make Smarter Shipments With Outbound Load and Order Creation

Create outbound load orders on-platform via your Blue Yonder interface, or via template upload.

Get recommendations on other orders that can ship together and notify customers so that they can be consolidated into a single shipping container to reduce the number of shipments, parcels and boxes.

“I need more competitive options in
Store-Fulfillment”

Easily activate omni-channel options like in-store pickup, ship from store, drive-thru, curbside, and same-day with flexible store picking options (single, batch, zone), carrier assignment, manifesting and return to stock.

[Get a demo →](#)

Blue Yonder’s Store Fulfillment capability is a must-have for retailers rolling out tactics to “urbanize” fulfillment and get closer to customers. Marginal efficiency gains are possible across planned, newly activated or established micro-fulfillment facilities.

Accelerate Pick Efficiency With **Batch Picking and Barcode Scanning**

Multiple orders can be batched for a single person to pick at the same time, thereby optimizing resources and reducing overall timeline to fulfill orders. Picking accuracy can be optimized through barcode scanning, virtually eliminating human errors in picks.

Advanced Packing Capabilities With **Repacking and Rebooking**

Empower store associates to pack, replace or repack orders smartly and with greater efficiency for shipping or customer pickup with carrier rebooking and paperwork automatically regenerated back into changing workflows.

Improved User Experience With **Configurable Sort and Filter**

Help teams sort orders for picking — for example, by due date or brand. Filter orders from batches to “pick-by-fulfillment-type”, and other preconfigured tags. Automatically sort orders based on date and time required for shipping.

Faster Roll Out With **Templatized Store Configurations**

Allow for tens or hundreds of stores to be stood up on the same day without additional configuration.

“I need to track MFC performance with

Store Command Center”

Gain complete, 360-degree visibility and oversight of store micro-fulfillment activities with intuitive, actionable dashboards and customizable activity and performance reporting.

[Get a demo →](#)

With Blue Yonder’s Store Command Center, shielding order processing and fulfillment from creeping costs and inefficiency becomes easier than ever.

Boost Supply Chain Efficiency with Out of the Box Integrations

for seamless data flows with the most widely used parcel vendors, including vendor-specific labeling.

Reduce Operational Bottlenecks With Smart API Integrations

For enabling fast, reliable and effective last-mile provider onboarding.

Keep Everyone Informed With Mobile Alerts

plus notifications for customer/driver arrival.

Reduce Friction and Mix Ups With Configurable Customer and Driver Info

for capturing and displaying accurate information to drivers and customers, no matter what changes happen during checking or handover.

“I need more powerful, simpler

MFC Resource Management”

Complete with full integration to parcel and last-mile delivery providers for final delivery confirmation.

[Get a demo →](#)

MFC Resource Management ensures flawless collaboration and last-mile coordination, no matter how complex your third-party parcel processing partnerships.

Achieve Seamless Integration With **Any Number of Parcel Providers or Delivery Partners**

Blue Yonder’s AFW integrates easily with one or more parcel or delivery providers via the Blue Yonder network service — all through a single integration point for booking requests and label generation.



“I need better third-party logistics visibility, with

Last-Mile Integration”

Complete with full integration to parcel and last-mile delivery providers for final delivery confirmation.

[Get a demo →](#)

MFC Resource Management ensures flawless collaboration and last-mile coordination, no matter how complex your third-party parcel processing partnerships.

Achieve Seamless Integration With **Any Number of Parcel Providers or Delivery Partners**

Blue Yonder’s Adaptive Fulfillment and Warehousing integrates easily with one or more parcel or delivery providers via the Blue Yonder network service — all through a single integration point for booking requests and label generation.



ERP vs. AFW Gap Analysis:

How Urgently Should You Make the Switch? Questions To Ask and Answer

As we've learned, ERP systems can, to a basic degree, be leveraged for order fulfillment. That said, rolling out MFC strategy on top of ERP infrastructure is a one-way ticket to spiraling costs and missed opportunities.

If you're thinking of finally making the switch from ERP to purpose-built order management, here are some potential ERP capability gaps to investigate.

| Question | Answer |
|---|--|
| Is Your ERP System Designed for Micro-Fulfillment? | Most ERP systems aren't purpose-built for micro-fulfillment operations, leading to suboptimal processes and inefficiencies. |
| Does Your ERP Support Real-Time Order Fulfillment? | Your ERP system likely lacks the real-time capabilities required for quick and efficient micro-fulfillment, leading to delays and missed delivery windows. |
| Can Your ERP Handle High-Volume Order Processing? | Check how well your ERP system can handle the high volume of orders typical in micro-fulfillment centers, one often resulting in performance bottlenecks. |
| Is Your ERP Agile Enough To Adapt to Rapidly Changing Demands? | The rigidity of your ERP system may hinder quick adaptation to changing demands, leading to suboptimal resource allocation and inventory management. |
| Does Your ERP Provide Dynamic Inventory Optimization? | Your ERP's static inventory management approach may result in overstock or stockouts in micro-fulfillment centers, impacting operational efficiency. |

| Question | Answer |
|--|--|
| Is Your ERP Scalable for Seasonal Demands? | Check if there are limitations to the scalability of your ERP system that may make accommodating fluctuations in demand during peak season difficult and potentially affect customer satisfaction. |
| Can Your ERP Support Advanced Robotics and Automation? | Your ERP system may also lack native integration with advanced robotics and automation technologies, limiting operational efficiency in micro-fulfillment centers. |
| Does Your ERP Offer Real-Time Visibility Into Order Status? | Your ERP's lack of real-time visibility may lead to customer inquiries and complaints due to delayed order status updates. |
| Can Your ERP Optimize Last-Mile Delivery Routes? | Assess if your ERP system optimizes last-mile delivery routes. We'll wager that it doesn't — which means higher transportation costs and longer delivery times. |

Ready To Level Up With Adaptive Fulfillment and Warehousing?

Step 1: Triage Your ERP Capability Gaps

Use the ERP gap analysis guidance above to assess your most urgent fulfillment and warehousing efficiency shortfalls, then triage them in order of severity. Try comparing your actual performance against KPI and KPA target metrics.

Where are you bleeding margin?

Which areas of performance are the furthest off the mark?

Which areas have the potential to deliver the highest impact if optimized?

Once you've identified your pain points, a Blue Yonder expert can help you understand how the AFW solution can be implemented to tackle those challenges one by one.

Step 2: Speak to a Blue Yonder Expert About Custom AFW Implementation

They'll help you assess intricate and nuanced challenges in your environments.

Then they'll explain exactly how your Blue Yonder's AFW implementation can be custom-gearred for "interoperability" to gel seamlessly with your existing architecture and partner systems in your supply chain.

They'll also help you identify new potential streams of revenue, and find the right tools to help you commoditize them.

Step 3: Implement Blue Yonder Adaptive Fulfillment & Warehousing

Blue Yonder's AFW is fully customizable, SaaS-native, and completely non-disruptive. Time-to-value is just weeks, not months or years, and there's minimal training required to get teams up and running.

Blue Yonder AFW user experiences are geared for intuitive self-learning, so you'll experience rapid team uptake and reduced reliance on training interventions and tenured staff.

Once an initial site has been configured by our expert team, subsequent sites can be implemented and activated in a matter of days.



Get in Touch

Please visit

<https://blueyonder.com/solutions/adaptive-fulfillment-and-warehousing>
and speak with a Blue Yonder expert today

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