Kick-start Retail for Achieving Micro-fulfillment Maturity





Retail Micro-Fulfillment Is Going Full Scale:

and Getting Ready Doesn't Have to Be Rocket Surgery

The pandemic may be over, but the micro-fulfillment megatrend it skyrocketed is here to stay. Consumer appetite for "I need it yesterday" e-commerce is accelerating. Now it's about more than overnight groceries and couriered takeout.

The Road to Micro-Fulfillment

Center Rollouts 2030

With SaaS-native technologies enabling micro-fulfillment, the recent trend of network expansion and customer acquisition will give way to micro-fulfillment center rollouts and a stronger focus on per-site profitability through renewed investment in automation.[2]

billion by 2031, with 44.8% CAGR from 2022 - 2031 [1]

fulfillment centers forecast to be installed by 2030 [2]

Consumers Are Paying for Speed, But Retailers Aren't Keeping Pace

Even as far back before the pandemic as 2019, 40% of Gen Z, 32% of Millennials, 29% of Gen X, and 12% of Baby Boomers said they'd pay more for same-day delivery.^[4]

Yet, most retailers are falling behind, with just over 50% offering same-day shipping.[3]

Same-day

41%

of consumers are willing to pay extra for same-day delivery in 2023 [3]

1-2 hours

say they'll pay more for delivery within one or two hours of chosen slots [3]

The Perfect Storm of Omni-Channel Retail Challenges **Driving Micro-Fulfillment Center Rollouts**



Urbanization

68% of the world's population predicted to live in urban areas by 2050 [5]



Warehouse Space

Vacancy rates reached historic lows in 2020 [6]



Labor Challenges

Transportation and warehousing had a turnover rate around 56.7% in 2023 [7]



Post-pandemic Trends

56% of consumers aged 18-34 expect same-day delivery in 2023 [8]



SKU Proliferation

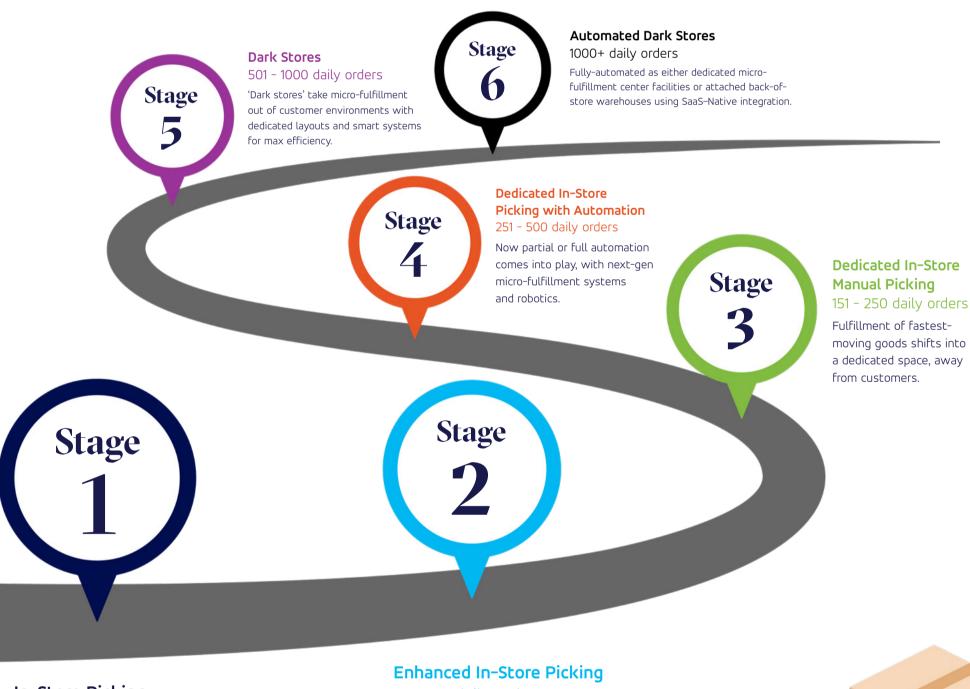
Inventory and product lines are ever-more complex and diverse



Last-mile costs make up almost half of all supply chain costs [9]

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.



In-Store Picking

1 - 50 daily orders

Just as customers would, fulfillment teams pick orders from store aisles.

51 - 150 daily orders Like regular in-store picking, with added

automation for inventory tracking, order orchestration, and time-to-value.

Ready to Place Omni-Fulfillment and Experience Closer to Customers?

To get started, visit https://blueyonder.com/solutions/adaptive-fulfillment-and-warehousing and speak with a Blue Yonder expert.

They'll answer any questions on how best to implement Blue Yonder Adaptive Fulfillment and Warehousing, to achieve faster MFC rollouts and time-to-value (TTV).

Boost Micro-Fulfillment Center Rollout Time-to-Value with Adaptive Fulfillment and Warehousing from Blue Yonder

Talk to us about leveraging Blue Yonder's Adaptive Fulfillment and Warehousing to scale your micro-fulfillment strategy while tackling last-mile cost challenges and optimizing operational efficiencies.



Real-time inventory visibility and mobile-based interface for rapid actions, onboarding, and results.



Extensible architecture with customizable dashboards

and mobile workflows to flex micro-fulfillment capabilities as operational scenarios evolve.



SaaS-native microservices that you can pick, mix, and plug right into your existing architecture for

faster time-to-value and remote staff training and onboarding.



with seamless upgrades and

integrations into the Blue Yonder Platform for easily scaling fulfillment capability up- and downstream in the supply chain.

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