

# Omni-Channel

## What does Omni-Channel Capability mean for Your Logistics Strategy?

Omni-channel retailing means more options throughout every step of the shopping experience. From being able to choose between in-store, online and mobile purchasing venues; to deciding when and even where to take delivery of purchases; to being able to return an online purchase to a store, consumers enjoy the flexibility and choices associated with omni-channel.

For retailers though, omni-channel means a recalibration of retail strategies. As businesses think about incorporating omni-channel components, a range of questions arises: “How do I manage inventory across so many different channels?” “How can I meet customer delivery expectations?” “What do I do with online-only merchandise that is returned to a retail store?”, are among the many basic questions a retailer will need to address.

A new white paper from Purolator International, “Understanding the Need for Omni-Channel Capability,” offers useful information about how a business can adapt its logistics strategy. To download a complimentary copy of the white paper, please [click here](#).

### Customers Expect Omni-Channel Options

Whether it's the ability to research a product from a smart phone, pick up or return an online purchase to a store, or insight into a product's delivery schedule, omni-channel has arrived – and customers like what they see! Customers have embraced the flexibility and convenience of omni-channel to the extent that it is assumed retailers can meet their preferences.

Research of consumer attitudes about online shopping conducted by comScore, reveal just how far the pendulum has swung with regard to expectations. Consumers cited the following as key factors influencing their decision to shop with a retailer:

- Ability to buy online and then make returns at the store.....62 percent
- Push of a coupon/promotion to my smartphone when I'm in the store or close by.....47 percent
- Ability to buy online and pickup in store.....44 percent
- Availability of application designed for a tablet.....41 percent
- Option to conduct one-click checkout online.....40 percent
- Ability to complete a purchase using a mobile device.....37 percent



Omni-channel is here to stay, and in order to compete, a retailer must adapt.

## Omni-Channel and Your Supply Chain

The goal of omni-channel capability, from a retailer's perspective, is to fulfill a customer order from the most profitable source. It is critical to have the right inventory in the right place at the right time. But how do you manage that without incurring exorbitant distribution and transportation costs?

Finding the right balance can be tricky – but it can be done.

- **Customized solution.** A retailer's omni-channel strategy must be carefully thought out, and include options that are (a) achievable and (b) appropriate. A retailer should not over-promise, but should instead commit to omni-channel options for which it can invest the necessary time and resources.
- **Inventory visibility.** A highly visible supply chain will allow a retailer to know – with exact precision – where a product is located. To do this, a business will need to transform existing processes, especially in situations where businesses maintain parallel fulfillment operations for retail stores and e-commerce operations. The key is finding a way to integrate all systems so that employees – and customers – have visibility into inventory levels and locations. And like so much in today's modern supply chains, visibility is possible through technology.

But, choosing the right technology solution can be tricky. With many options to choose from, a business will need to carefully determine its precise technology needs, and then find the best solution. Many businesses are satisfied with off-the-shelf software, or cloud-based offerings, while other businesses may opt for a customized solution.

- **Ship-from-Store.** Many retailers are leveraging perhaps their greatest assets – physical location and close proximity to customers – and turning them into mini-fulfillment centers. The concept is known as “ship-from-store” and EKN Research predicts that nearly three-quarters of all retailers will soon be using their stores as “delivery hubs.”

The concept is actually very simple. A retailer will use inventory from its physical stores to fill e-commerce orders. An online order will be routed to a local store, where inventory records indicate the desired item is available. Retail store employees wear the added hat of “fulfillment agent,” and pick the purchased item from the store shelves, pack it up and send it on its way.

- **Ship-to-Store.** Not only are retail stores being called into duty as e-commerce fulfillment centers, but they are serving as delivery hubs as well. The option appeals to both buyers and retailers: Buyers not interested in paying shipping fees can opt to pick up their products at a local retail store, and retailers not willing or able to offer free shipping, can instead allow customers the convenience of having their package packed and ready at a local physical store. Retailers also benefit from upsell opportunities, since consumers may choose to do additional shopping while in a store to pick up their online purchase.

## Bringing it all Together – A Qualified Logistics Expert

Businesses are relieved to entrust their omni-channel logistics strategy to a qualified logistics provider. A qualified logistics partner will offer comprehensive management of the entire process – order processing, warehouse/inventory management, distribution/transportation, recordkeeping, accounting and returns management -- and ensure a positive omni-channel experience for your customers.

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To learn more about these and other supply chain innovations, visit [www.purolatorinternational.com/whitepapers](http://www.purolatorinternational.com/whitepapers) to download Purolator International's white paper: *Understanding the Need for Omni-Channel Capability*.