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Do E-tailer reputations founder on delivery?

Buoyed by ever-rising sales, E-tailers are continuing to invest in making websites more user friendly, sourcing the latest eye-catching products and embracing mobile phone and apps ordering. But there's abundant evidence that many are still neglecting the key factor on which they will be judged – prompt, accurate delivery. Industry leaders recognise that if the first order fails to arrive on time, the customer may be lost forever and may even be put off any Internet purchases in the future.

Derek Kay from product storage and fulfilment technology specialist Logistex looks at some possible solutions and how the latest stock management software can significantly improve the total customer experience.

“It's hardly surprising that in a sector already worth over £50bn and rising at around 20% pa - including companies as diverse as Tesco and hundreds of niche market small businesses - that many are still developing their business model and still have big areas for improvement. Websites are being developed and refined to capture the buyer's attention and to make the order placing process – indeed the whole purchasing experience – as easy and as enjoyable as possible. Search engine optimisation techniques are increasingly used to bring more traffic to the site and companies strive to offer the latest products at the most attractive prices.

Sadly there's abundant evidence that many companies are still not investing and paying enough attention to what really matters to the buyer – is what I want in stock and will I get the right goods delivered on time? Recent surveys show that on-line retailers do not fully appreciate how important getting the right purchase delivered on time means to the shopper. So what's the answer?

Established businesses who have moved into internet sales will already have an

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existing stock and IT based ordering procedure running their warehouse and dispatch function. However the typical Warehouse Management System (WMS) designed to distribute goods in bulk to stores may not be ideally suited to handling a high volume of small orders, usually between one and three items that may require different picking and stock management procedures.

Newer entrants to the market will have the advantage of only dealing with small order volumes, but may also have chosen simple software systems such as Microsoft Excel or standard accounting packages which in the long run will have limited capacity.

Any software stock management system selected should be designed to cope with high volume picking and collating of small orders, mainly single picks. It should also be able to efficiently handle returns, instantly update stock records and interface with the website's software to provide timely and accurate stock information. Trying to order a product and finding it is not in stock will not enhance the company's image in the market.

Suppliers of WMS to large warehouses and catalogue sales organisations will be familiar with the type of stock pick and management pattern that internet sales require, but many systems still focus on bulk orders and do not always lend themselves to a predominance of small volume dispatches.

Logistex's recently launched Reflex stock management software is an innovative example of a new generation of systems designed with the flexibility and ease of use that the e.business sector needs. Based on the legacy and experience of more than three decades of full scale warehouse systems, Reflex provides all the functionality required from stock placement, location, picking, packaging and dispatch – and able to interface with the client's own web ordering process and courier software. So the one system provides a seamless data management and interchange for the entire stock process, without double entry or duplicate functions.

With all the advanced management capabilities of a high volume, large-scale system, Reflex provides any business with the tools to maximise stock profiles and levels in line with demand and ensuring fast, accurate deliveries. All the features vital to running an efficient business at minimum cost and maximum customer satisfaction.

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Most WMS and stock management systems eventually need to be upgraded as a business evolves – but at a cost. However Reflex provides a comprehensive package of functionalities and features – suitable for any task from basic manual systems up to complex operations incorporating high levels of automation – with users only paying for those they decide to use. Clients simply choose the functions they need, with no long-term commitment and the freedom to change their selection at any time. So as the business grows and changes, the software keeps pace as required and the cost reflects actual usage and the functions selected. It's simple, flexible and gives companies an unrivalled business tool that adapts to changes in demand and commercial patterns without the straightjacket of a long-term commitment – with fast payback and ROI.

The success of internet retailing will continue to attract new entrants, making the market more competitive than ever. Building customer loyalty has to be a vital strategy for success and getting deliveries right – in the eyes of the shopper – is the key to success. The key to delivery is having the right systems in place that help the supplier keep its promises.”

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