

# EXECUTIVE BRIEFING NOTE

## FULFILMENT SOLUTIONS

**Wunderman Thompson Commerce** has a range of services to deliver leading fulfilment optimisation solutions for retailers.

### Delivery of leading fulfilment technologies

**Wunderman Thompson Commerce** has been working with **Sainsbury's**, a leading UK grocer since 2011. As their strategic eCommerce partner, we have designed and implemented a range of leading fulfilment technologies to meet their requirements to offer both great customer delivery experience and operational control of costs.

At the heart of these technologies is a leading eCommerce platform and vehicle routing application integrated into the website experience. As customers browse the website and select delivery options, millions of computations take place to plan vehicles and minimise costs in real time. This enables Sainsbury's to deliver a number of capabilities:

- Customer 1-hour delivery slots with a high degree of confidence and accuracy
- 'Green van' capability to minimise environmental impact and costs
- Same day delivery function by having a clear view of delivery, and picking resource availability integrated into the order placement environment
- Real time flexible vehicle routing solution
- Routing solution personalises for different customer groups (more time for new customers), location-specific (door step time for high rise buildings) and individual customers (customers with additional needs). This ensures that the solution is accurate and ever-improving.

### Blending technology, data & algorithms to deliver optimised customer experience and cost

The secret to great customer delivery slot availability and operational cost control is full visibility and control of all planning parameters. The combination of the eCommerce solution with the routing application offers Sainsbury's great vehicle routing capability integrated real time into a customer ordering platform. Since 2015, we have worked alongside these technologies to blend data & algorithms to further optimise fulfilment costs. This enables the active use of vehicle weight and volume within the planning process. Vehicles are planned to the limits of the drive-time weight and cubic restrictions in real time. Taking this multi-faceted delivers tens of millions of cost savings annually.

Whereas in traditional industries the use of volumetric planning solutions is a straightforward enterprise, in a grocery world, customers are able to amend their orders, and therefore the weight and volume of orders until the last second, throwing well intentioned planning into the spectre of late deliveries and overweight vehicles. Wunderman Thompson Commerce has developed a solution where individual customer data and order history is used to both estimate the current volume of their order plus their likely future amendment behaviour. When this approach is applied across tens of thousands of orders daily, alongside careful operational processes and controls, transformational cost reduction are achieved whilst maintaining the great customer experience for customers booking through the website and on the doorstep.

### Innovating to deliver market-leading solutions

Building on our successes with Sainsbury's, we have worked with **DFS**, the UK's leading furniture retailer to deliver and implement a market leading fulfilment strategy spanning all retail and digital channels. This introduces the additional challenges of two man delivery products, but the techniques and approach we have used to blend technology, experience and data remain the same. Through our work we have:

- Defined fulfilment strategy for the DFS group
- Introduced innovation partners to DFS to transform approach and thinking within the group
- Delivered custom implementation of a routing solution able to productionise the latest algorithms and data science to an enterprise level
- Built and delivered new in-vehicle technology to ensure the experience of the driver matches the planning environment, enabling them to focus on the customer experience, whilst gathering data points to further refine the planning algorithms
- Transformed the availability of data for customers; with real time order & delivery visibility, and, for DFS, enabled closer operational management of fleet, resourcing, and all aspects of operational cost.

The work we have conducted for DFS has been recognised across the industry including the "Delivery Initiative of the Year" accolade by Retail Systems Awards 2018.