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Big and Bulky Retail Shipments - Seamless Delivery Regardless of Size

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Content

Introduction

In the world of big and bulky—think your sofas, your mattresses, your large electrical appliances like refrigerators—things are heating up. We're not just talking local anymore; giants like IKEA are stepping into the ring, turning what used to be a neighborhood game into a global showdown. They're setting new benchmarks, raising aspirations, and frankly, making everyone up their game.

But here's the deal: while businesses are obsessed with product range and pricing (and rightly so), there's a third game-changer that's often overlooked—customer experience. And in the realm of big and bulky, fulfillment isn't just a step in the process; it's the cornerstone of the entire experience.

Buying a sofa isn't like grabbing a soda from a store. The average customer would purchase these once or twice in their lifetimes, with a price tag to match. So, if their delivery truck misses their slot, it's not just an inconvenience to the customer, it's a signal to them that they need to look elsewhere for their next purchase, be it a bookshelf or coffee table or washing machine.

And for the business? It's a logistical nightmare with ripple effects down the line. Because in the time it takes to pack, ship, and deliver these large items, you could have delivered a wide range of smaller items.

In short: a botched fulfillment experience isn't just one missed opportunity. It's two. The one that didn't make it and the ones that could have been because that slot's been taken.

This is where the magic needs to happen. Streamlining operations in the big and bulky world is about making every delivery count. Because when you're playing in a league where every delivery is a headline event, there's no room for error.

Big and Bulky: A High-Growth, High-Competition Market

According to a report published by Market Research Guru, the global Last Mile Delivery for E-commerce for Bulky Item's market size was valued at $17 billion in 2022. It is expected to expand at a CAGR of 8.85% during the forecast period, reaching $28 billion by 2028.

This growth means vast opportunities for retailers, but they also come with significant challenges. While retailers across all sectors face hurdles, but those in the big and bulky sector face unique challenges due to the nature of the products they handle.

Big and Bulky Retail - The Big Problem!

Ranging from furniture to large appliances, big and bulky retailers have to purchase or lease heavy vehicles if they are running with captive fleets. Else, they have to hunt for carriers that have the right number of fleets, SLAs, and shipping costs. Most importantly, retailers have no visibility once their shipment is in the trailers of third-party carriers, other than following up individually over text messages and phone.

Let's look in detail the complexities of big and bulky retail logistics:

Capacity planning without roster management

Due to the large size of each shipment, manually planning capacity isn't possible. Often scheduling systems can't assign shipments to right resources by factoring multiple parameters like: availability during holidays, drivers' time off, service co-worker work time, schedule and the unique skill sets of each executive while optimizing for cost.

Typically for some furniture and most appliance deliveries, two parties are sent to the customers' location. The delivery and service co-worker teams. Due to the absence of roster management in their inefficient

logistics system, retailers can't assign delivery and assembly teams' on critical deliveries at the same time, which leads to delay in installation, hampering customer experience, and which hurts the retailer's overall SLAs. Also, dispatching the assembly team post delivery will put an additional transportation cost for retailers to bear.

Let's look at what happens when multiple parties are involved to maintain turnaround times (TATs).

No resource balancing and service specific deliveries

Big and bulky shipments aren't just expensive, they require multiple people to carry with care. With this, multiple parties are thrown into the mix: Driver, helper and service co-worker. Often with standard dispatch management software, a simple mix-and-match function isn't as precise as with an intelligent, AI-based dispatch management solution as it could lead to improper allocation, additional transportation and resource costs, and poor customer experience over shipment delays.

Some customers are fine with assembling their own furniture and most retailers would be ready to provide a discount on the product, given there would be no installation or assembly charges. But retailers with an inefficient dispatch management system can't optimally manually allocate resources to products that have assembly-only or delivery-only or hybrid tasks (Same day delivery and assembly) due to the complexities involved.

Big shipments = multiple boxes = warehouse lags

With big and bulky shipments, three parties that are in charge of transporting them, namely planners, warehouse managers, and a delivery team. The planner takes into account only TAT, rough estimation of space and invoice value and sends it across to the warehouse team for dispatch.

However, the warehouse team would have to know the exact number of parts for a single product (based on product type like table and chairs or a coffee table). Given that these would be in disassembled state, that they would be able give the exact number to the drivers/delivery team who check this before loading on to the truck. Manually organizing this without a proper hub automation system to scan, sort and load would lead to shipping errors.

If anything goes wrong, not just one customer is inconvenienced here but two. Shoppers don't don't like incorrect orders staying in their homes for long. This frustration is exacerbated when the shipment is expensive. "To minimize any shipping errors, a D-2 cycle, where planning for a shipment takes place two days before actual delivery, is implemented." However, without the right tech, no amount of planning can mitigate challenges that come with manual warehouse operations.

Dip in driver productivity

Due to slow sorting and given the size of the shipments, drivers are made to wait at the warehouse until the loading is complete, eating into his actual time on the road. This forces the delivery team to put in additional hours on the road, or in extreme cases, cut corners by speeding up the loading and unloading process, or drive rashly, potentially resulting in accidents, and damage to expensive goods.

Poor vehicle space optimization for big items

Since the shipments are large, optimizing space inside the trucks/delivery truck is vital to make sure orders are catered to while using the fewest possible vehicles. With an inefficient logistics system, this metric isn't factored in and when done manually by the warehouse manager, increases in costs and longer delivery cycles.

Third-party carrier woes

Without a captive fleet, retailers are left with the option of outsourcing their deliveries to a third-party carrier. With many carriers to consider, most retailers with inefficient logistics systems typically use a people network to find carriers. This isn't the most efficient way, as typical carrier-shipper interactions then prioritize past relationships and do not focus on efficiency and cost optimization.

Poor linehaul management

Unlike smaller products, bulky items aren't picked or loaded from the retail stores. There are multiple warehouses where assembly is done for certain items and some are sent via in a dismantled form for ease of delivery. Moving bulky items large requires smart fleet assignment knowledge, whether FTL or LTL shipments would be preferable, and seamlessly updating this info on the WMS.

Messy worker order management

Once the product has been delivered, it falls on the service co-worker to assemble or install the product. However, each product has its own installation requirements and therefore its own unique set of tools. Current dispatch management systems may not be able to intelligently notify the co-worker about the tools required to complete the task successfully which then falls on the co-worker to manually decide at the customers' place and any fumble could create delayed installation/assembly or incomplete installation.

Struggles with time-definite deliveries

With customers' demand for fast and predictable fulfillment increasing everyday, they also want retailers to deliver orders at the time of their choice.

Given that most of them have fixed routines and priorities, not having these expensive items delivered at the time of their choice will deeply inconvenience them.

Manual capacity and routing are the primary reasons why retailers aren't providing customized or time-definite delivery windows for customers.

Lack of real time fleet visibility

Operations/transport/last mile managers are supposed to track the fleet vehicles in real time to make sure deliveries go without a hitch. Manual methods like phone and chat applications to reroute them is less than ideal. If the deliveries are outsourced, the visibility is even less. Control tower features need to be built into the dispatch management systems to overcome such challenges.

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No visibility for customers on their large-ticket shipments

Customers just hate it when they are kept in the dark, especially if it's a costly shipment. Often, shipping furniture and having it assembled at home is a half-day long affair. This needs a certain amount of planning preparation on part of the customer, which is why they crave transparency. Many out-of-date logistics systems typically lack the capability to send auto notifications with ETAs, delay updates and more.

Routing chaos

Even though each vehicle carries fewer orders than your average retail or CPG fulfillment vehicle, on-time delivery is critical to say the least. Often systems do not come with dynamic routing capabilities, making the entire process slow and inefficient.

Address ambiguity

Geographies such as the Middle East, India and Southeast Asia often have unclear customer addresses that creates a major challenge to the delivery team.

Manual Proof of delivery

Often, manually consolidating and maintaining proof of deliveries on paper is a cumbersome and unreliable process as these records can get lost, damaged or tampered with. The biggest issue being a delay in delivery recognition. When there is no instant recognition of proof of delivery on the retailers system, it could open up retailers to disputes on faulty goods, which is a lose-lose situation on both customer experience and dealing with faulty inventory returned by the user.

Problems with logistics application Integration with fleet telematics

This is not only a challenge for big and bulky products but for all retailers. There is a need for an application that seamlessly integrates with the fleet/trucks' media system for drivers to navigate, update tasks and make other changes without holding their phones. Additionally, seamless integration with multiple vehicle telematics providers is a must for smooth on road operations.

These are some of the few but critical logistics challenges that big and bulky retailers deal with. Every challenge has a solution and it comes in the form of intelligent and battle tested all mile logistics platforms like Locus.

Locus for Big and Bulky Retail
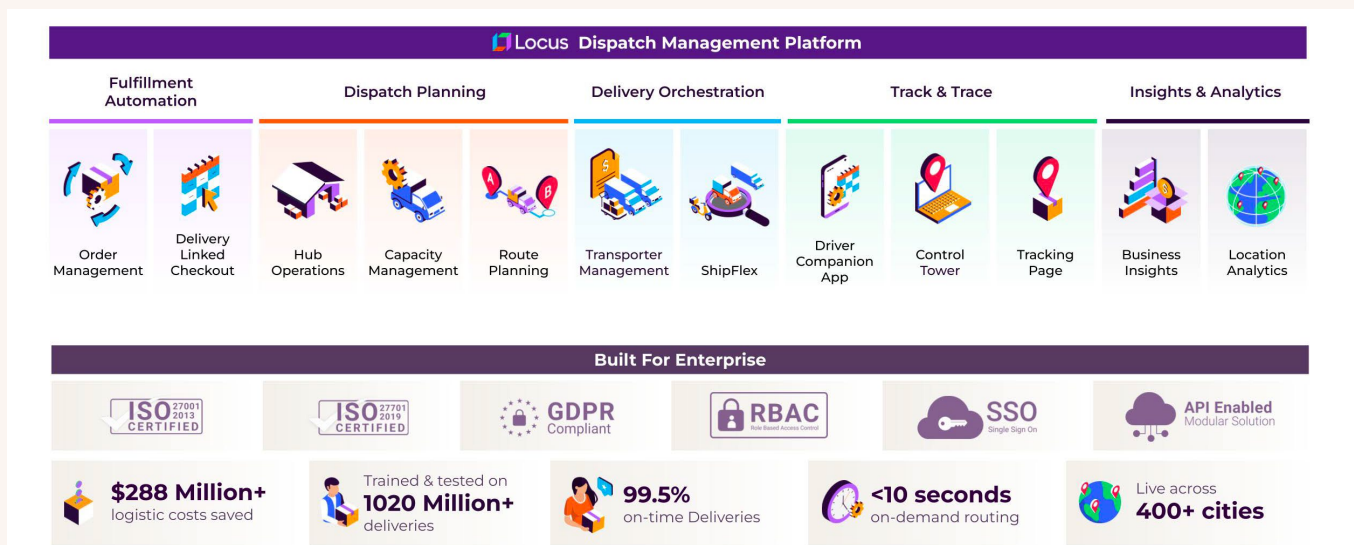
The crux of the challenge for these types of retailers is the time required to measure and then load them onto the vehicles, while making sure each individual box (depending on the shipment type) is assigned to the right vehicle and shipped to the right address while optimizing for capacity and routes. It's like trying to assemble a bookshelf with a ticking clock. The faster you go, the more likely issues crop up. And in the world of sofas, beds, dining tables, washing machines, etc, rush jobs can mean damaged goods. And damaged goods? They're not just a hassle to return; they're a direct hit to your brand's reputation. Let's look at how Locus can help make your brand stand out as the best:

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Warehouse Operations

Allocate multiple service co-workers smartly to vehicles to reduce additional transportation charges and speed up assembly and delivery:

Smart capacity management solutions like Locus automate capacity by assigning shipments to available resources ahead of time while factoring in holiday, drivers' time off to make sure no order is delayed.

Considering that most of these items are in a disassembled state, service co-workers are likely to assemble them at the delivery location. Locus Dispatch Management System can allocate the right personnel by considering their unique skill sets and years of experience alongside their existing tasks, the amount of time it takes to complete them, and how long it would take to reach the next destaination, among other considerations. The end goal being to ensure delivery and assembly are done on the same day for maximum efficiency and stellar customer experience.

Locus can also allocate resources to cater to delivery-only, assembly-only demands with the help of smart algorithms. All this helps the planning team reduce dispatch planning time significantly and speed up warehouse operation and delivery.

Automate hub operations to speed up delivery and mitigate shipping errors

With an inefficient logistics system, retailers are stuck with a slow and manual package sorting process at the fulfillment center and hiring additional warehouse personnel when the volume increases.

With Locus' Hub Operations module, Big and Bulky retailers can automate package sorting operations. This is possible by scanning each parcel's Labels/ID and then sorting them based on the nature of product, zip code, order type and more. Then, the final stage of optimization involves load formation to the appropriate vehicles and optimally utilize the fleet.

Smartly utilize rig space, even for big shipments

Shipments from big and bulky retailers usually are, well, big. So in order to utilize the vehicle space to the fullest, Locus' smart dispatching system factors in shipment size and vehicle space while planning and sorting shipments at the warehouse, ensuring optimal vehicle space utilization by allocating orders to compatible vehicles only.

Locus can also make sure 90% of the vehicle space is utilized to justify using the vehicle and in some cases at least 70%. This level of optimization is applied not just for big and bulky shipments but also for mixed size shipments as certain retailers sell both.

Warehouse space optimization

As big as a warehouse is, big and bulky items can immediately crowd the place could create a maze with no room to move but plenty of room for confusion. With zone-based sorting, each item can be segregated into zones and clearly organized, saving space within the warehouse.

Easy linehaul management

With Locus, each shipment is tracked when moved from main warehouse to child warehouse and shipments are assigned to trucks by factoring the size of the shipments and FTL or LTL transporters are shortlisted based on this and the information is then sent to the WMS.

Get the best price with third party carriers

Finding third party carriers isn't a hard job. However, it is hard finding the ones that fit your requirements and managing them on a single platform. For every business, the carrier's requirement is different.

Locus' advanced carrier management system, ShipFlex, can connect retailers to a wide network of top performing carriers and set up rules with our rule-based engine to auto assign them to every order based on multiple parameters like SLA, cost, geography, order type. With minimal manual interruptions, last-mile dispatchers have little chance to hire subpar carriers, or favour others for recieving kickbacks.

Customer and Driver Experience

Deliver even large items at customers' preferred delivery window

Locus' battle tested platform is leveraged by top retail brands that deliver big and bulky shipments on a daily basis. With a unique feature called Delivery Linked Checkout, retailers can provide customers with customized time slots based on specific products. It leverages existing capacity with the help of smart algorithms, and also an advanced routing engine to navigate around on-ground challenges to deliver on time.

This can be customized for multiple customer demands like assembly-only and delivery-only or both (same day delivery and assembly). Capacity-backed customized or early-time slots can be shown to customers for an additional delivery charge to improve customer experience and save on transportation costs.

Improve driver experience

With smart sorting solutions, the wait time at the warehouse is drastically reduced for drivers. Once the way to delivery locations, Locus' Driver Companion App can assist drivers with navigation and make sure day to day tasks are marked for drivers to fulfill. Another benefit of the application is for drivers to utilize their smartphone to take proof of delivery images of the item and to directly reflect on retailers' Dispatch Management system for instant recognition.

This reduces the chance of disputes over the quality of goods assembled and delivered and assures that the liability of returned goods that are damaged are kept to a minimum. Drivers would benefit a lot not just due to seamless information integrated into the app via the platform, but also from the visibility of their earnings. Such visibility can motivate drivers to go if they wish to increase their earnings.

Complete order visibility for customers

With Locus, retailers can provide their customers with a link in the tracking page, where customers are able to track their order in real time. Dispatchers can also set up automated updates/notifications for customers about the order status from the movement they place the order throughout the fulfillment journey.

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On-Road

Track captive and outsourced fleet

The Control Tower module in the dispatch management system provides last mile teams a bird's-eye view of their captive fleet, and once deployed, dispatchers can track all their vehicles in real time. If needed they can reroute vehicles to correct route deviations during any point of the fulfillment journey. Alerts are triggered if and when a coworker has breached/deviated from scheduled route plans with a smart geofencing feature.

Control Tower gets real time data fetched from ShipFlex, so dispatchers can track both captive and carrier deliveries on a unified dashboard.

Retailers can also leverage Locus' transporter management system to automate invoices and avoid inflated bills while using contracted vehicles for their deliveries.

Dynamically route these big and expensive orders

Even though the number of deliveries per vehicle per trip is less, one must have to account for the unloading and/or assembly times for each order, which makes on-time and predictable fulfillment all the more crucial. This is why navigating through sudden on-ground challenges to deliver on time is still a challenge for retailers. This can be circumvented by leveraging an intelligent route planning system like Locus that factors in 180+ real world constraints to plan fast and economical routes for the delivery team.

Seamless integration with third party systems

Locus' Driver Companion App runs seamlessly on any vehicles' media systems compatible with Apple CarPlay and Android Auto along with any vehicle telematics providers systems as well.

Deliver anywhere with accuracy

Not everywhere in the world is the delivery address quality crystal clear. Locus' smart routing engine with advanced geocoding is able to convert unclear addresses into precise latitude and longitude coordinates seamlessly.

With ever changing shoppers' needs, the stakes couldn't be any higher for big and bulky retailers due to the unique complexities from warehouse operations to delivery. That doesn't change the fact that they need to bypass these challenges to deliver on time and provide stellar customer experiences to their customers.

Preparedness can only take retailers so far. Without a cutting edge logistics tech working from behind the scenes, the sheer number of complexities will surely overwhelm the logistics team, leading to customer loyalty deterioration, rising transportation and labor costs and other operational costs.

Smart work order management

From number of tools required to assemble the shipment to the type of vehicle that is assigned to move the shipment (during exceptions), all this relevant information is sent to the service co-worker before reaching the assembly/installation location. After the completion of the installation, proof of assembly images are sent via Locus Driver Companion App to immediately to the assigned executive at the retailers' company for successful order completion.

Returns - Big and Bulky Retailers' Worst Nightmare

Big and bulky shipments don't just look big but cost a lot as well. This is why most retailers use a D-2 model which is carrying out financial checks and planning two days before actual dispatch. However, any fumbles during the sorting and shipping process at the warehouse often take place due to manual intervention. We already mentioned above how smart sorting can reduce shipping errors and ultimately reduce returns cost.

Now let's look at actually handling returns due to damaged shipment or delivery to the wrong address.

By leveraging a robust capacity and routing systems, smart algorithms help tag nearby drivers/vehicles which are heading back from either delivering an item or on the way to deliver can accommodate returns without much hassle. Essentially, the forward and reverse logistics are clubbed for less time on road for drivers, decreased cost of transportation, and a seamless return experience for customers.

Given the size of these shipments, returns won't be easy to accommodate. Often these items have to be returned in an assembled state, which given their uncertain size and volume, makes it all the more difficult to load onto returning vehicles. Let's look at how this works specifically for big and bulky shipments:

Load optimization with heuristic algorithm: Now with regular parcels, rerouting a truck/service co-worker to pick these up is easy as size isn't a huge factor.

But for big and bulky businesses the size of each order makes it a lot more challenging. Locus solves this problem by either optimizing fleets for only deliveries first and then seamlessly picks up returns.

However, to make returns seamless for both company and customer, Locus' heuristic algorithm takes into consideration dimensions of similar products that were measured by the coworker manually and then uploaded on the driver companion app to optimize space for all future returns while housing delivery shipments. The result: a 90% fleet space utilization and without comprising delivery SLAs.

Why Choose Locus?

We've been delivering value to our leading clients in the logistics domain for close to 10 years now. Our innovative and battle tested AI-driven order-to-delivery platform is proof of that.

We've been helping automate and optimize end-to-end logistics operations of multiple retail brands like Croma (TATA Group), Lulu Group International, LandMark Group, Unilever and many more.

Croma, one of the largest retailers in India, was struggling with multiple logistics challenges. Here's how we solved their problems:

What was Croma's challenge?

- Lack of on-ground visibility
- Manual route planning
- High driver churn rate
- Inaccurate geocoding and traffic conditions
- Suboptimal fleet utilization

Our solution

- Dynamic routing with automated consideration of custom constraints like real-time route restrictions, traffic data, & weather conditions
- Accurately planned inventory replenishment trips for on-ground resources based on on-ground, real-time data
- Control tower to keep track of ground activities.

Impact from our solution

89%
Driver Utilization
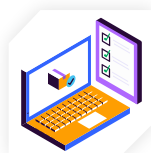
100%
Visibility of daily dispatches

100%
Elimination of manual tasks

3 hours
Express delivery achieved

The Locus Edge

On time delivery	Increase in SLA compliance	Logistics cost saved	On-demand routing	Reduction in freight costs	In store fulfillment
99.5%	32.4%	$288 million	<10 seconds	17%	99%

Gartner 4.3 ★ Peer Insights   **Capterra** 4.6 ★   G2 4.5 ★

We will continue to demystify supply chain and logistics to help retailers across the globe deliver orders seamlessly to their customers, while optimizing for cost.

If you feel your organizations' logistics operations could be better, a 30 minute demo of our solution could help you save millions of dollars and thousands of manual hours.

Book a demo

Locus

Locus is a future ready logistics technology company dedicated to solve all mile problems in global logistics.

1.02B+
Total
deliveries optimized

12m+Kgs
Reduction
in GHG emissions

$288m+
Savings
in logistics costs

GROWTH, DELIVERED.

Know more