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How Smart Tech can Help with Fulfillment for **Multi-brand Retailers**

AUTHOR

Prateek Shetty K N

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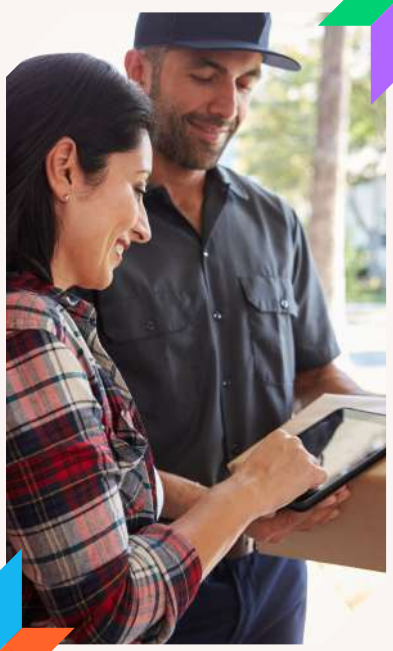
Content

Introduction

The global retail market is undergoing a profound transformation, driven by rapid technological advancements and shifting consumer behaviors. Today's consumers are more connected, informed, and demanding than ever before, seeking convenience, speed, and customization in their shopping experiences. This evolution is reshaping the retail landscape, compelling businesses to innovate continuously to stay competitive.

Moreover, the rise of e-commerce has revolutionized the way consumers shop, pushing brick-and-mortar stores to transform into hybrid models that blend online and physical experiences. The pandemic accelerated this shift, demonstrating the critical importance of adaptability and digital readiness in the face of unforeseen challenges. **According to research by Statista, retail sales globally is set to reach $32 trillion by 2026 and online retail is said to reach $8 trillion by 2027**. As a result, retailers are investing heavily in digital platforms and omnichannel strategies to serve customers wherever they are.

In this dynamic environment, sustainability has also come to the forefront. Consumers are increasingly prioritizing environmental and social factors in their purchasing decisions, prompting retailers to adopt more sustainable practices and transparency in their operations. This shift towards sustainability, digital integration, and customer-centric approaches marks a new era in global retail, promising exciting opportunities for innovation and growth.

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What is Multi-brand Retail?

Now every retail business is the same. The risks and rewards are even greater for multi-brand retailers, who own a vast portfolio of allied or diverse retail brands. Think Future Group in India, Landmark Group in the Middle East, The Goods Dept in Indonesia, or even Costco in North America. These retail companies have multiple sub brands which cater to different product needs like apparel, big and bulky, jewelry, footwear, groceries, etc, these also sell private labels alongside third party brands.

Multi-brand retail encompasses a diverse and dynamic sector of the market where businesses offer products from multiple brands under one organizational umbrella. This model provides consumers with a wide range of choices in categories such as apparel, electronics, groceries, and more, all from various brands within a single retail environment. The multi-brand approach benefits consumers by consolidating a variety of options, making it easier to compare and purchase different brands in one location.

For retailers, this model allows for leveraging economies of scale, optimizing inventory management, and enhancing customer reach and loyalty by appealing to varied consumer preferences. Therefore, from a fulfillment perspective, every dollar saved or lost can have a multiplier effect if similar fulfillment protocols exist across diverse brands.

Operating within the multi-brand framework, retailers must adeptly manage relationships with numerous suppliers and maintain a comprehensive understanding of diverse market trends and consumer demands. This requires sophisticated supply chain management strategies and robust data analytics to ensure efficient stock management and to optimize the buying experience. Retailers must also navigate the complexities of marketing multiple brands in a cohesive manner, ensuring that each brand's identity is preserved while promoting the overall retail entity.

Furthermore, the advent of digital technologies has significantly transformed the multi-brand retail landscape. E-commerce platforms have become a crucial component, enabling these retailers to extend their reach beyond traditional geographic limitations. This digital expansion necessitates advanced logistical solutions to handle online sales, customer service, and digital marketing effectively. Retailers are increasingly adopting technologies such as artificial intelligence (AI) and machine learning for personalized marketing, virtual reality for virtual try-ons, and blockchain for transparency in supply chains.

Clearly, multi-brand retailing is a sophisticated and highly competitive business model that demands comprehensive operational strategies and innovative technological adoption. Success in this sector depends on a retailer's ability to offer a diverse array of products while maintaining efficiency in logistics, fostering strong brand relationships, and delivering a cohesive customer experience both online and offline.

Fulfillment Methods in Multi-brand Retail

For B2C fulfillment as in the case of a lot of Retail companies, the process is customer-centric, focusing on delivering products directly to consumers. This involves managing a complex supply chain that includes inventory management, order processing, last-mile delivery, and post-purchase customer service. B2C fulfillment aims to ensure a seamless, efficient, and speedy delivery process to enhance customer satisfaction and loyalty.

The use of technologies such as AI for personalized shopping experiences, real-time inventory tracking systems, and automated warehousing solutions are increasingly common to meet the high expectations of today's consumers. On the B2B side, fulfillment involves larger-scale transactions, where businesses supply products in bulk to other businesses, such as retailers, wholesalers, or even other distributors.

This process requires robust logistics planning, warehouse management, and order accuracy to ensure timely delivery and maintain supply chain integrity. B2B fulfillment must be adept at handling complex order requirements, larger quantities, and logistical demands to ensure efficiency and cost-effectiveness. Technologies like Enterprise Resource Planning (ERP) systems and advanced analytics play a vital role in streamlining these processes, allowing for better forecasting, resource allocation, and supply chain visibility.

Challenges in Multi-brand Retail Fulfillment

Integration Issues Across Multiple Systems

Supply chain and logistics managers have their work cut out for them, juggling apparel, electronics, and grocery logistics. But here's the kicker—different systems might not play nice together. Outdated tech or privacy snags can stop data sharing cold, leaving companies and customer data vulnerable across disparate fulfillment systems, whether they be Order management (OMS), transportation management (TMS) or warehouse management systems (WMS).

Zero Visibility on Ground Operations

With companies that manage multiple brands, some retailers employ just a few supply chain and logistics managers to manage multiple brands logistics. The level of complexity and volume of things that a supply chain manager has to deal with will increase ten fold compared to a typical retailer.

Thrown in complexities like geography, driver compliance, etc, managing these operations manually will surely hurt company performance, driver and customer experiences.

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 are not efficient at scale. 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.

Manual Exception Handling

Flexible, convenient and predictable fulfillment is what customers expect as the norm . But real-life hiccups like traffic or route changes are real headaches. When on-the-ground issues pop up, they can throw off delivery times big time.

No Order Visibility for Customers

Once a customer places an order, they are eager to know when it will reach their doorstep. If they can't see what's happening with their purchase, they might just walk away. Real-time updates and delivery ETAs aren't just nice to have; they're essential.

Multiple brands, multiple headaches, limited third party carrier options

Handling one carrier is tough enough. Now imagine juggling multiple carriers for multiple brands. From apparel to big and bulky furniture, finding the right carrier for each order manually is practically inviting chaos.

Routing Chaos

Each delivery vehicle might carry fewer orders, but each order counts. In places with tricky addresses like the Middle East, India, and Southeast Asia, getting clear directions to customers is critical. Without dynamic routing and smart geocoding, you're looking at slow, inefficient deliveries.

Route Management and tracking for distributors

With retailers that have multiple brands, managing visit time is key to selling products to your customers through distributors. Often due to the huge volume of inventories going to distributors, they can't track the retailers' shipment or even the shipment could be delayed. Distributors may prioritize goods of other retailers and wait till the next day for dispatch of delayed shipment.

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Specialized fulfillment requirement for certain products

Capacity planning without effective roster management is a significant challenge for large retailers, who handle a vast array of products under multiple brand umbrellas, including both private labels and third-party brands. The sheer volume and variability of shipments make manual capacity planning impractical.

Traditional scheduling systems often struggle to assign shipments efficiently by taking into account multiple factors—availability during holidays, drivers' time off, service co-worker work hours, and the unique skills of each executive—while also optimizing for cost. For items like furniture and appliances, delivery usually isn't a one-person job. It often requires a team that includes a delivery crew and a service co-worker. Without a sophisticated roster management system, retailers face challenges in coordinating these teams effectively. This misalignment often results in delayed installations, damaging the customer experience and impacting the retailer's service level agreements (SLAs). Moreover, sending the assembly team after the delivery has been completed incurs additional transportation costs, a burden that retailers are forced to shoulder.

Let's dive into the dynamics when multiple parties are involved in maintaining turnaround times (TATs). Handling big and bulky shipments is not just costly; it demands careful coordination of several people—the driver, a helper, and a service co-worker. Standard dispatch management software, which typically relies on a basic mix-and-match approach, lacks the precision of an AI-driven dispatch management solution. This often leads to misallocated resources, unnecessary transportation and labor costs, and ultimately, a poor customer experience due to delays. Interestingly, some customers prefer to assemble their own furniture, and most retailers are willing to offer a discount on these items since there are no installation or assembly fees involved.

However, retailers stuck with inefficient dispatch systems find it nearly impossible to manually allocate resources optimally for products that require either assembly-only, delivery-only, or both in a hybrid model (like same-day delivery and assembly). Some savvy retailers have even started employing carpenters who also have driving skills, significantly cutting costs and reducing both delivery and installation times, demonstrating a more economical approach to resource management.

# How can Multi-brand Retailers Fulfill Orders Seamlessly

As we have seen earlier, multi-brand retailers are facing a perfect storm of challenges. That said, they are not impossible to overcome. The right tech can make a huge difference, smoothing out bumps and keeping everything running like clockwork.

Seamlessly Integrating Your Existing TMS with Locus

If you're already running a TMS, that's ideal for carrier management, but it often falls short in handling the full scope of supply chain and logistics operations. At Locus, we understand the significant costs and resources gone into implementing one. This is why Locus can elevate your existing system by integrating smoothly with any third-party systems you have. Our four-point API integration is not only smart and secure, it ensures that data flows freely across brands, locations, and departments—eradicating data silos and boosting transparency.

![Locus logo]

Smart Capacity Management for Big and Bulky Items
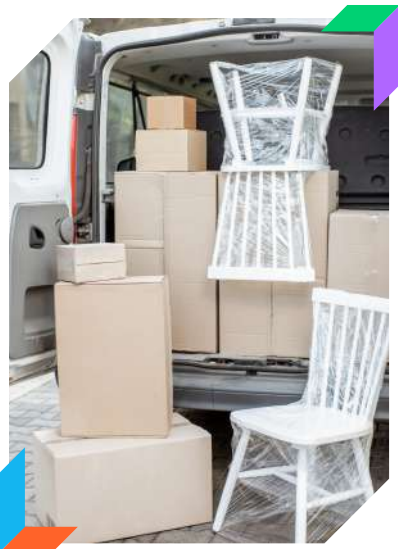
For brands that deal in big and bulky items, pre-planning is everything. Locus automates capacity management by pre-assigning shipments to available resources, taking into account holidays and drivers' days off to prevent any delays. Since many of these items need assembly at delivery, Locus makes sure that the retailers don't just send anyone a resource; we send the right resource.

By assessing each service worker's skills and current workload, we ensure that deliveries and assemblies happen together, on the same day, enhancing efficiency and customer experience. In some cases, if service workers that have both qualification of driver and carpenter are employed, these individuals will be assigned more orders to cut costs and speed up assembly.

Simplifying Multi-Brand Carrier Management with ShipFlex

While finding carriers isn't tough, finding the right one for each specific need is a challenge. ShipFlex, our advanced carrier management system, links retailers to a vast network of over 160 top-performing carriers that range from international shippers to hyperlocal ones.

Our rule-based engine automatically assigns carriers to orders based on SLA, cost, geography, and order type. This streamlined approach minimizes manual intervention, reducing the risk of subpar carrier performance or biased selections.

Real-Time Order Visibility for Customers
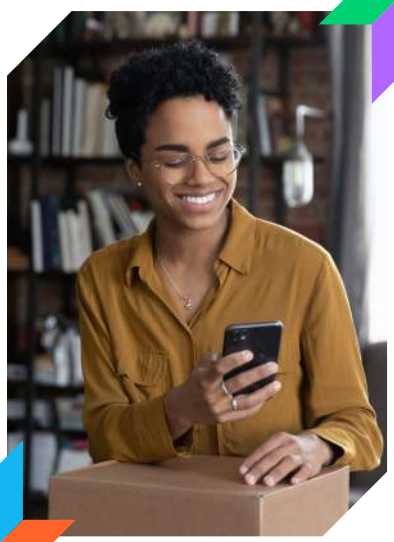
Locus gives your customers the power to track their orders in real-time from the moment of purchase. Our tracking page provides accurate ETAs, while dispatchers can send automated updates about the order's journey, significantly easing the burden on logistics teams managing multiple businesses/brands.

A Birds Eye' View of All On-Ground Operations
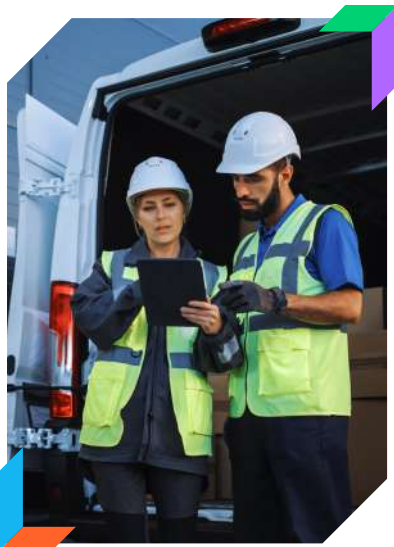
The Control Tower module in the dispatch management system provides last mile teams a bird's-eye view of their captive fleet, and once deployed, dispatchers can track all their vehicles in real time. If needed they can reroute vehicles to correct route deviations during any point of the fulfillment journey. 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.

Precision Delivery to Every Customer

Not all delivery addresses are created equal. Some are clear; others, not so much as they might be inaccurate, vague or just not detailed enough to track down a location accurately. Locus' smart routing engine uses advanced geocoding to transform even the vaguest addresses into precise geographic coordinates, ensuring no delivery ever misses its mark. The dynamic routing system is key for routing success for retailers as it factors in 180+ real world business constraints to create economical and faster delivery routes.

Elevating customer experience

For end customers purchasing these good, the Tracking Page provides a holistic post-purchase experience and reduces support costs with centralized order tracking and multi-channel, two-way communication channels that fosters trust with greater transparency. From SMSes to Whatsapp, web and push notifications, any of these mediums can be used to give proactive updates, especially in case of delays. It can be used to improve existing fulfillment processes by collecting valuable feedback from customers and fixing issues to further enhance the customer experience.

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Smart Distributor Management

With Locus' AI-powered route planning solutions, bypassing traffic and delivering inventores to distributors on time for dispatch is seamless due to its AI-powered dynamic routing function. With added tracking features, retailers can send estimated ETA and real time status of inventories for distributors for enhanced transparency and sustain a strong relationship with them.

Why Locus?

Locus has been helping brands like Landmark Group, a top multi-brand retailer in the Middle East with achieving seamless delivery. Here's what we did for them:

- Manual operations for plan generation, geocoding, and exception handling causing huge delays
- Excessive vehicle use and low productivity
- Lack of visibility on on-ground operations, resulting in low SLA adherence
- Lack of real-time communication with customers.

How did we solve them?

- A centralized and intuitive dashboard for digitized operations
- Real-time tracking of on-ground operations, and enhanced visibility for end-customer
- Deployed map-entity based provisions for accommodating road/route based restrictions
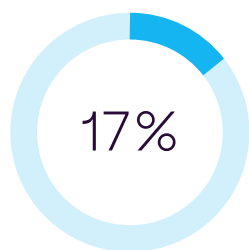- Better capacity management and driver experience

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What did it lead to?

50%
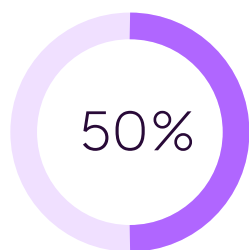
Reduction in planning time

10%
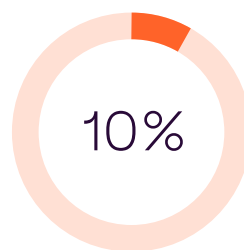
Improvement in truck load efficiency

17%

Reduction in travel time

2X

Twice the visibility

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%	$303 million	<10 seconds	17%	99%

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

1.22B+

Total
deliveries optimized

14.4m+Kgs

Reduction
in GHG emissions

$303m+

Savings
in logistics costs

Growth,
Delivered.

Know more