TRG

Erasing Friction:
Optimize Your People & Fulfillment Processes

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Fulfillment Hurdles: Barriers to Progress

From manufacturing to retail, answering the challenges facing distribution and replenishment management hinges on adapting technology solutions that improve the customer experience and operational efficiency.

At every turn and in virtually every industry, organizations are dealing with disruption while trying to meet the customer demands of today. The hurdles in fulfillment run the gamut, including:

- Navigating the rising cost of labor and scarcity of skilled workers

- Finding compelling and innovative ways to deliver an enhanced workplace experience

- Satisfying increased customer demand

- Redefining operations and delivery models for better efficiency

To succeed in this dynamic environment, organizations need to adopt a holistic approach to understanding their customers, equip associates and distribution center workers with the knowledge and agility required to meet customer needs and leverage technology advancements to meet those challenges and set a strong foundation for future growth and optimization.

Technology Addresses People and Process Challenges

Consumer expectations have increased dramatically. Whether it's an individual looking for a new personal electronic device, or an OEM seeking a shipment of mission-critical parts, the demand to fulfill orders on-time and accurately has never been greater. The rise of e-commerce is a huge driver of these expectations.

According to research from Insider Intelligence, the U.S. e-commerce market alone is expected to eclipse $1.1 trillion in 2023, and enjoy another double-digit year of growth (10.4%). With exponential growth across many sectors — such as food and health products — more businesses than ever before need strong warehousing and distribution capabilities to meet increased consumer demand.

This pressure dials in on two critical areas: **People and Processes**.

People

- Consumer expectations demand optimized operations and delivery models

- Workforce expectations are also rising, with a desire for an improved work experience

- Labor is increasingly hard to source

- Wage rate is becoming more expensive

Processes

- Greater need for data to provide actionable insights into workflow optimization

- E-commerce and brick-and-mortar are merging and **unified commerce** requires new strategies and investment

- Need to replace or update current processes that better serve customer expectations

- Continuous improvement efforts to continue to reduce friction between the shopper and fulfillment

Embracing technology is crucial for manufacturers and retailers to overcome these people and process challenges. Investing in a host of technology solutions streamlines operations and enhances productivity, critical for delivering the customer experiences they crave. Let's discuss how technology can assist in three key areas — Customer Experience, Replenishment Management, Operational Efficiency, and Automation.

Customer Experience

Improving the customer experience, whether you're a small, boutique retailer or a key producer of manufactured parts, should be top of mind for every organization. For many consumers, customer service experience has now eclipsed price or product features as the top factor when it comes to purchasing decisions. **According to a recent study**, 73% of consumers cite customer service as their top priority. This means it can act as a key brand differentiator that can not only drive sales, but also foster more customer loyalty.

As more retailers ramp up **omnichannel efforts**, it's become clear that the key concepts there — fast responses, intelligent automation, personalization, accurate inventory measurement — all rest on putting the customer experience first. Keep this in mind: satisfied customers remember. Unsatisfied customers talk. If you deliver a pleasing, frictionless experience, your customers will remember that for future purchasing decisions. If you don't deliver, they'll share that with others exploring the same space.

Keep this in mind: satisfied customers remember. Unsatisfied customers talk.

How Technology Can Help

By equipping your retail associates and distribution center (DC) workforce with the right tools, you can deliver seamless experiences. Such tools give employees a way to provide quicker and more accurate product shipment information. Empowering every associate with devices helped them unlock the ability to track and measure levels of assets in real-time. DC workers can use their own tools to accurately measure current inventory levels and gain real-time insight into where the next shipment is located.

One of the most impactful ways to improve the customer experience is to increase order accuracy. No one wants to spend time and energy finding the right product only to then find it's not available. **Recent research shows** that the average US retailer only has 65% inventory accuracy and it leads to a lot of wasted time, money, and energy. Inventory accuracy helps prevent stockouts and overstocking, facilitates inventory forecasting, and minimizes your operational overhead.
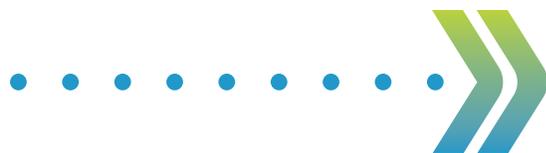
Replenishment Management

While outfitting associates and DC workforces with optimized devices increases the positive customer experiences, it's equally important to ensure your items are received in the right location for ongoing, efficient inventory analysis. You've used technology and proper management of it to improve your customers' interactions with you and your brand. Many of these same solutions can be used to successfully line up your next wave of products and shore up supply chain operations.

- **For Retailers** — Associates need to know exactly what is on the store floor and what they have in back-of-store inventory so they can keep pace with today's more knowledgeable retail customer. Connected associates can scan seamlessly and gain clarity into what, exactly, is available at their location and where it can be found — eliminating costly inventory errors that impact the customer.

- **In the DC** — Unified communications, through a well-management device deployment, means those working the warehouse can dialogue with those in the shop for more accurate inventory information. Wearable devices also augment DC workers in a variety of roles, from put-away and replenishment to receiving, packing and loading, helping them meet the output demands of today.

Replenishment management also helps improve traceability, which is becoming an important factor for consumers across many industries. More customers today prefer to align with brands and companies that are compatible with their own values and priorities, with **three out of four millennials** saying that they consider sustainability when they make a purchase.

Replenishment management technology can help organizations show where and how products are made, acquired and sourced. With environmental stability as a high priority for many people, it's important that businesses provide visibility into sustainability and carbon-neutral efforts.
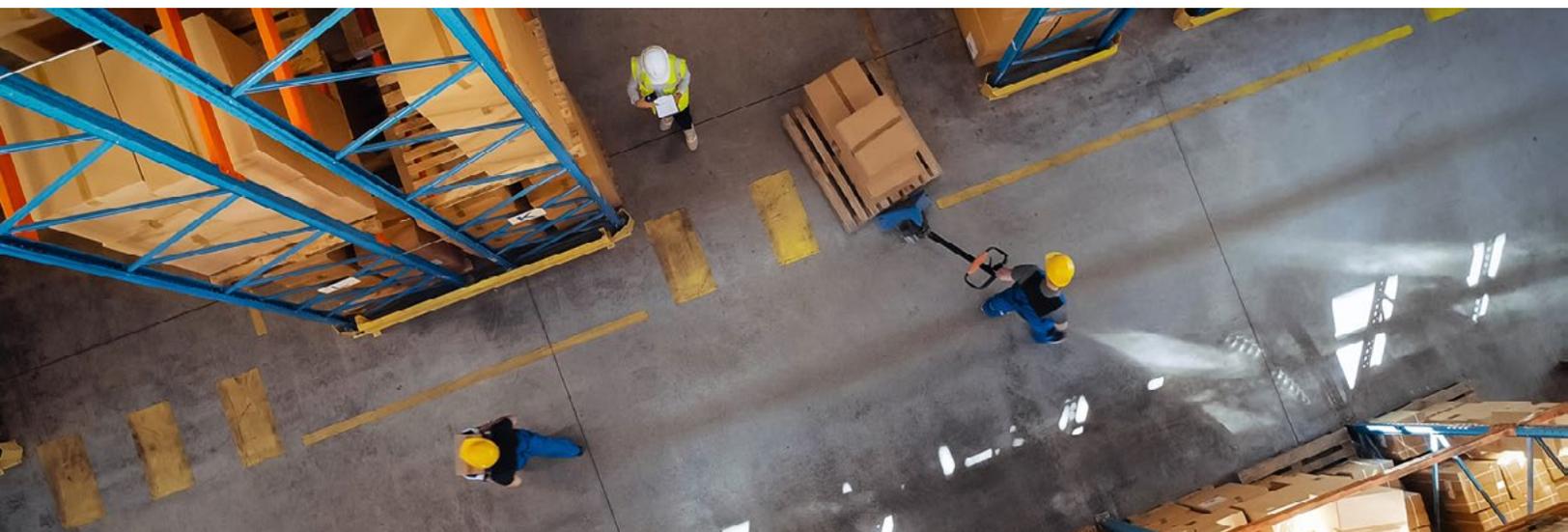
Operational Efficiency & Automation

Increasing output and efficiency are crucial for both the warehouses distributing parts and products to the retail outlets or e-commerce storefronts supplying them to end users. The demand for many organizations is greater than ever, and many manual tasks remain for warehouse workers — such as picking, kitting, sorting and packing — despite the advancements in device or wearable technology.

But further leaning into technology solutions offers up two primary benefits:

- Further automating labor-intensive tasks to reduce labor demands

- Utilizing data-driven tools to increase performance visibility

Reducing the effect of labor scarcity is a key operational differentiator as acquiring skilled labor — both on the store floor and in the DC — remains a challenge. **A 2022 survey found that 73% of warehouse operators** couldn't find enough labor to fulfill all their openings — a dramatic increase over 26% who said the same in 2021. Staggering turnover rates in both warehouses and among retail associates means finding ways to do more with less manpower and keeping those already onboard engaged are essential.

It's Not All About Efficiency

Maximizing capacity and modernizing operations across the entire business — from smarter supply chains to clear in-store safety protocols — can do more than just increase output and efficiency. Using technology to tackle these challenges also opens up a host of benefits to improving the experience of retail associates and DC workers alike.

By employing mobile devices to ease the burden on workers, organizations can improve employee retention rates, increase productivity and potentially open up better talent acquisition opportunities in the future.

Employee Benefits

Retail Associates

- Single device for all tasks
- Voice-enabled technology
- Frictionless customer interactions
- Unified operations across the enterprise
- Reduced infrastructure costs

DC Workers

- Hands-free technology for essential workflows like picking & material handling
- Minimize downtime
- Greater worker productivity
- Better inventory accuracy
- Improve the worker experience with safety & ergonomics

Efficiency is the Goal

It's well-established that **happy workers are more productive**. If they enjoy their job, or have access to tools that help them work more efficiently, they'll be more inclined to stick with the position longer, work more efficiently and recommend the company to others. With mobile devices and proper oversight of the technology, organizations can optimize processes to balance workloads and maximize productivity.

The goal is to use the right tools with **the superior support** required to help your staff feel empowered, not overwhelmed.

Proven Solution Providers

To smooth out and refine the challenges of people and processes afflicting retail fulfillment and distribution, organizations need a plan that is both technology-directed and employee-focused. With **Honeywell**, our approach to hardware and software systems has always been to improve the safety, efficiency and accuracy for a diverse group of retail and warehouse workers.

Honeywell is ready to transform your fulfillment operations with a wide range of devices capable of serving every need and alleviating your pain points. Our devices and solutions cover every aspect of retail and DC fulfillment:

- Mobile computers

- Scanners

- Printing

- Software

TRG provides ongoing support through world-class managed services that ensures your investment is built to last. Our lifecycle services give you the support needed to keep your systems running at peak efficiency and ensure the right fit — from device deployment to retirement.

With **TRG and Honeywell**, you can optimize both your people and processes to enact frictionless fulfillment. It's not easy, but we make it look that way.

About Honeywell

For more than four decades, Honeywell has provided productivity and workflow solutions to help supply chain organizations through automating processes, reducing waste and human errors through greater visibility and transparency across the value chain.

Learn More Here

About TRG

TRG is a global, privately owned managed services provider that manages the full lifecycle of every enterprise endpoint. Our mission is to lead the future of enterprise technology by driving bold endpoint solutions with a success-or-else approach.

Learn More Here