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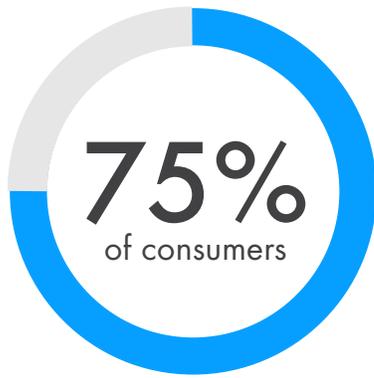
# SUPPLY CHAIN TRANSFORMATION

Delivering on the Promise of Great Customer Experience

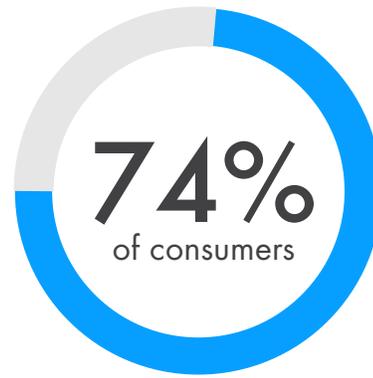
**Promises.** They're the foundation of the business-customer relationship. A promise to put the customer first. To protect personal information. To match competitors' pricing. But few of those promises are as important to the customer as the promise of fast, free delivery of products and services they need from brands they trust.®

Partnering with





expect free delivery even on purchases under fifty dollars<sup>1</sup>



are more likely to buy from a company again after receiving same-day shipping<sup>2</sup>

## If the customer is king, Fast, Free, Convenient, Personalized and Safe (FFCPS) delivery is the law of the land.

That's great news if you're Amazon. For the rest of the retail industry, however, meeting the promise of fast, free, convenient, personalized and safe delivery is a daily struggle. Consumers increasingly expect seamless omni-channel shopping experiences that offer a wide range of delivery options: same-day delivery, weekend delivery, buy online and pickup in store, curbside pickup and more.

Meeting these expectations requires retailers to match the promises of Amazon and then deliver on those promises flawlessly. But retailers face a series of hurdles between promise and delivery. What delivery options can they offer customers today? How can they gain real-time visibility into their inventory to offer the best delivery date for the chosen delivery option at the point of purchase? How do they reduce shipping costs without sacrificing speed?

### Holistic approach to Supply Chain Transformation

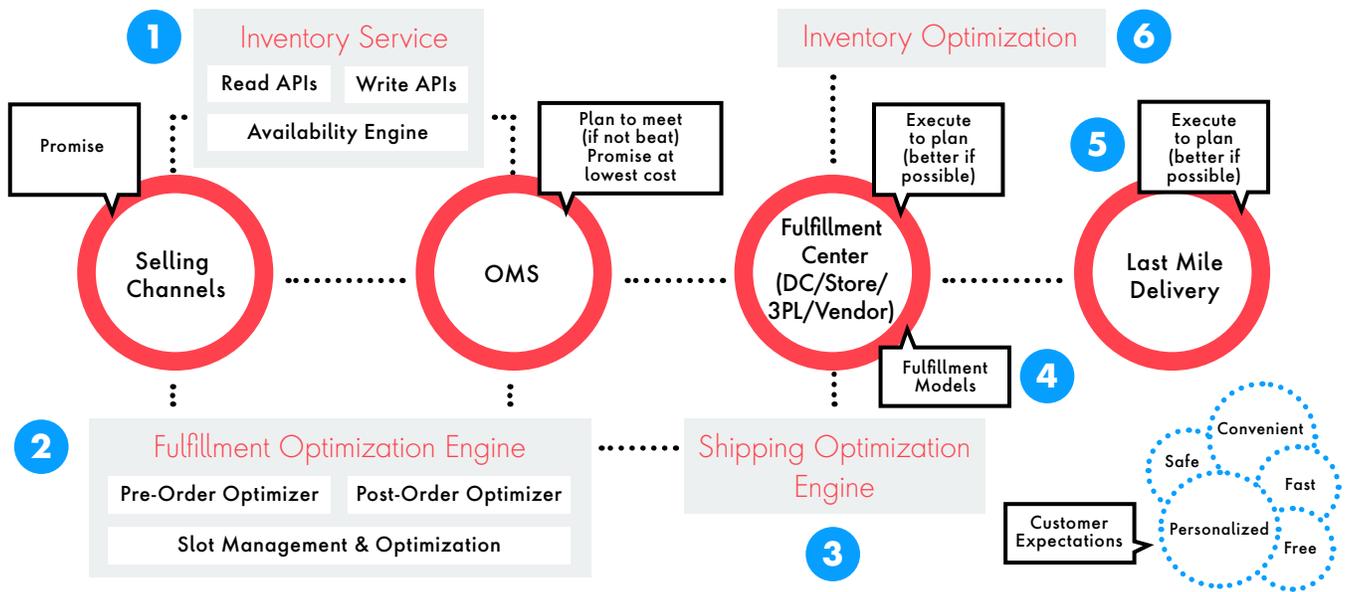
Retailers have traditionally taken a team approach to the problem of supply chain optimization. One team may be focused on delivering the best possible customer experience, such as convenient online transactions and seamless experiences across multi-channel touchpoints. A second team may be responsible for planning order fulfillment across the retailer's network of fulfillment centers (e.g., stores and warehouses), and a third team may be focused on the actual fulfillment process. Yet another team may handle the actual shipping plan and last-mile delivery.

This siloed approach to the supply chain is anything but optimal. Instead, it can lead to delayed shipping, stock outs, and higher-than-expected shipping costs—broken promises and lost revenue. When retailers have limited visibility into the supply chain process, so do their customers, which can result in negative experiences. Those experiences have a direct effect on revenue, as more than half of all customers (54%) report that clear, accurate order tracking is a key factor in their purchasing decisions.<sup>3</sup>

If retailers expect to meet customer expectations and compete with supply chain superstars like Amazon, they need to start with end-to-end visibility across their entire supply chain, from initial order to the last mile of delivery. We call this the Promise-to-Delivery solution framework. We have developed this specific solution framework to assist in the unification of six key components of the complete retail supply chain: inventory services, fulfillment optimization (including pre-order optimization, post-order optimization, and slot management/optimization), shipping optimization, fulfillment models, and last-mile delivery and inventory optimization.

Our Promise-to-Delivery solution framework integrates with the retailer's selling channels and order management solutions to offer true omni-channel experience to their customers while addressing profitability and efficiency challenges for the retailer.

## Promise-to-Delivery Solution Framework takes an end-to-end view



### Supply chain modernization roadmap for retailers

The Publicis Sapient Promise-to-Delivery solution framework provides retailers with end-to-end visibility across their supply chain through a tightly integrated mix of supply chain products and services. The framework we have developed serves as a roadmap for retailers that need to optimize and modernize their supply chain. Using this framework, retailers will be able to deliver the experiences that customers value by answering questions such as:

- How do we optimize and guarantee our delivery date/slots?
- How do we reduce shipping costs?
- Where do we need to place/move inventory in order to optimize delivery times to our customers?
- What are the best last-mile delivery options based on a customer's preferences and location?

Because every retailer is at a different stage in their supply chain transformation, any framework should be designed with flexibility in mind to address the weakest links in the supply chain. For example, a retailer might have a good visibility into their inventory but poor visibility into what happens after shipment. Or they may excel at ship-to-home delivery from their warehouses but struggle with ship-from-store delivery.

An end-to-end supply chain solution should also feature best-of-breed components that integrate easily with existing supply chain systems. Our promise-to-delivery framework is comprised of industry-leading solutions from IBM and other partners that are woven together with services from Publicis Sapient to deliver a complete, end-to-end solution.

### Living up to your promises delivers results

Taking the end-to-end view of promise-to-delivery is about more than keeping your word and keeping up with the competition. A promise-to-delivery solution keeps generating top- and bottom-line growth by delivering great customer experiences. When retailers promise customers fast, free, convenient, personalized and safe delivery, they see increased conversions, fewer lost sales, and faster movement of store inventory. And when retailers can fulfill those orders efficiently, they lower their fulfillment costs, reduce their number of markdowns, and improve their inventory productivity.

Omni-channel experiences are here to stay, and how retailers deliver those experiences will have a profound impact on the health of their business. Modernizing and optimizing the supply chain is no longer simply an operational consideration. It's the battlefield on which retailers will compete for customer loyalty and secure greater online market share.

If you're ready to win the hearts and minds of your customers with better service, talk to Publicis Sapient about our end-to-end supply chain solutions.

## Footnotes

1. NRF study says more online shoppers want free shipping. (2019, January 15). National Retail Federation. Retrieved June 22, 2020 from <https://nrf.com/media-center/press-releases/nrf-study-says-more-online-shoppers-want-free-shipping>.
2. Carollo, R. (2018, March 20). Consumers want faster delivery and they're willing to pay for it. Dropoff.com. <https://www.dropoff.com/blog/retail-delivery-consumer-survey-shoptalk-2018>.
3. Anton, C. (2019, March 26). How better inventory visibility makes customers happy and boosts the bottom line. MultichannelMerchant.com. <https://multichannelmerchant.com/operations/better-inventory-visibility-makes-customers-happy-boosts-bottom-line/>.

# LET'S TALK

Discover how to evolve and optimize your supply chain and the ways we can help your business.

Contact us for a review of how our supply chain capabilities and IBM Sterling Supply Chain solutions can establish, augment, and extend your digital transformation.



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## Together We Take Digital Experiences Into Tomorrow

Publicis Sapient is a digital transformation partner helping established organizations get to their future, digitally-enabled state, both in the way they work and the way they serve their customers. We help unlock value through a start-up mindset and modern methods, fusing strategy, consulting and customer experience with agile engineering and problem-solving creativity. As digital pioneers with 20,000 people and 53 offices around the globe, our experience spanning technology, data sciences, consulting and customer obsession – combined with our culture of curiosity and relentlessness – enables us to accelerate our clients' businesses through designing the products and services their customers truly value. Publicis Sapient is the digital business transformation hub of Publicis Groupe.

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