A WHITEPAPER BY

ignitiv | KIBO®

2022 DISTRIBUTED ORDER MANAGEMENT FOR RETAIL



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THE POST COVID WORLD

Almost 96% of customers rate their experience with brands as a major judgment factor towards loyalty. ~ A Forbes study finding.

The post-Covid world will be characterized by a deep and transformative embrace of digital. The pandemic has drastically changed the way consumers use online and offline channels, often both at the same time, with expectations around Buy-Online-Pickup-in-store, contactless delivery, and/or numerous other fulfillment options like expedited delivery. In this context of post COVID world, businesses should re-evaluate the capability of their Order Management System to keep pace with customer expectations and maintain their competitive advantage by delivering orders on time, profitably, every single time.

According to a Forbes study, businesses excelling in customer experience are geared up for better ROI. Almost 96% of customers rate their experience with brands as a major judgment factor towards loyalty. Definition of great experience varies from one individual to another. Some value assistance in-store, some like the convenience of online; some consider delivery as priority, while others opt for pick-up from a convenient location as the most crucial experience factor. Customers have different expectations and hence it is imperative for businesses to incorporate variety in the fulfillment options that they provide.



According to a Forrester Report, in 2020, nearly 35% of US online consumers responded that they chose to use “buy online, pick up in-store” service to avoid delivery costs (up from 20% in 2019), and 31% said they did so because they felt “it is safer than going to a store”. Curb-side pickup is the top choice in the US (28%) and number two in Canada (27%). Free next-day delivery and various other pickup options closely follow.

CURRENT STATE

What are the changes in Customer Behavior induced by COVID?

Over the last couple of years, customer behavior has made a shift in demanding a seamless shopping experience in which they expect “buy anywhere, deliver anywhere, return anywhere” with uniform experience across all channels. To meet with this demand, profitably, retailers are upgrading their frontend systems, backend systems and everything in between so that they do not lose out on business. A key success factor in achieving this level of seamless omni-presence is having an Order Management System that can optimally fulfill customer expectations while keeping the cost low for the businesses.

Inventory can be spread across multiple geographic locations (stores, dark stores, warehouses, in-transit or at the factory) and ownerships (self or vendor owned). In order to best fulfill an order, a business should be aware of not only the availability of a product but also its current location and all the available logistics options from that location to the place of delivery along with its cost – all real time. Empowering customers to find, buy, pick up, and return from different locations/ channels is an operational nightmare for retailers. Doing so while ensuring operational excellence takes it to another mindboggling level altogether.



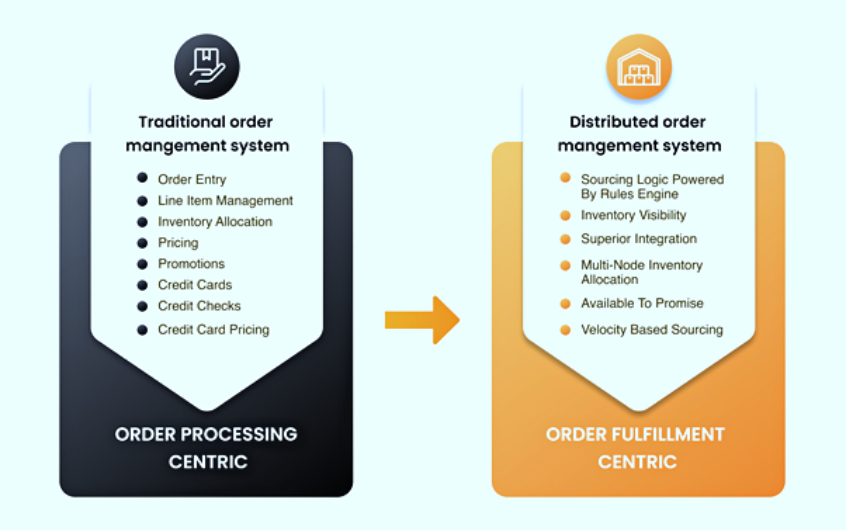
WHAT IS DOM?

A Distributed Order Management System strengthens the supply chain by providing a real-time visibility of all available inventory and helps in accurately fulfilling orders in the most efficient way possible to reduce distribution costs while meeting customer experience goals across all channels.

Online / Offline / Omni-Channel. B2B / B2C. Everywhere.

DOMS, an acronym for Distributed Order Management System, aid retailers in managing their orders across a variety of channels both online and offline. To qualify as a Distributed Order Management System, an OMS must be **Order Fulfillment Centric** with abilities to:

- Manage orders placed on a variety of platforms/ channels
- Manage returns efficiently in a cost effective manner
- Monitor inventory across all channels – visibility of inventory levels across the supply chain, storage facilities, with interoperability across vendors in the supply chain
- Organize order fulfillment across channels – enhancing delivery schedules, Delivery route optimization etc.



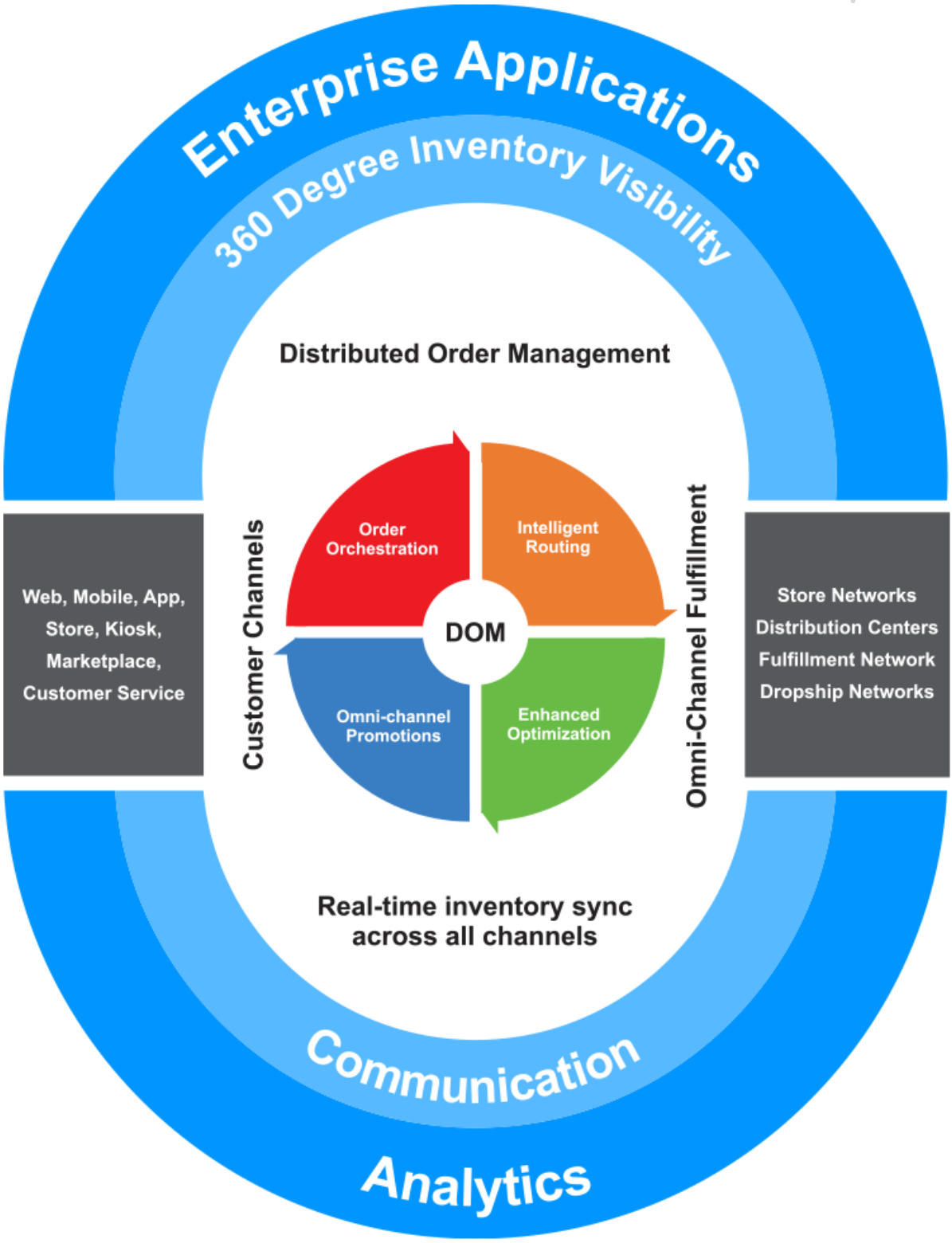

Enterprise Applications
360 Degree Inventory Visibility
Distributed Order Management
Web, Mobile, App, Store, Kiosk, Marketplace, Customer Service
Customer Channels
Order Orchestration
Intelligent Routing
DOM
Omni-channel Promotions
Enhanced Optimization
Omni-Channel Fulfillment
Store Networks
Distribution Centers
Fulfillment Network
Dropship Networks
Real-time inventory sync across all channels
Communication
Analytics

Fig: DOM view

FEATURES OF A DISTRIBUTED ORDER MANAGEMENT SYSTEM

DOM (Distributed Order Management) also aids in forecasting which products should be stocked when, where and in what quantities in order to reduce inventory and logistics cost while meeting customer expectations, even before the order has been placed.

Distributed Order Management helps you excel at fulfilling orders seamlessly, precisely and efficiently at any fulfillment point. You can enable your stores to offer endless aisle, buy online, pickup in store, and ship-from-store. By finding in real time wherever your inventory might be - distribution centers, third party suppliers and stores, or in transit and identifying the most cost-efficient route to fulfill the order, and being cognizant of the customer preference and interactions across channels, you can now have full visibility of your business—all in real time.

> Distributed Order Management can help both simple and complex businesses with multiple brands, vendors, sites, stores, warehouses, and distribution centers create seamless cross-channel experiences. Distributed Order Management raises your commerce capabilities to another level altogether. It can help you achieve optimal orchestration between demand and supply across multiple sales channels and different sources of inventory, making it easier to provide satisfying omni-channel customer experience across all touchpoints.

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On a functionality level, a Distributed Order Management System helps you with the following:

01

ORDERS

Aggregate orders from all channels and provide a single view of orders, allow multi-category items in a single order.

02

CUSTOMERS

Gain a real time view of all of a customer's purchases across all sales channels

03

INVENTORY

Get a single, real-time global view of all inventory available in order to intelligently source the components of the order

04

OMNI-CHANNEL FULFILLMENT

Enable Omni-channel fulfillment while permitting seamless transfer of orders between various fulfillment sites to complete the same in the most optimal manner possible

05

FEATURES

Facilitate support for drop shipping, click & collect from dark stores, locker delivery and other complex order fulfillment like back-order and Buy-online Pick-up in Store, ship from store, expedited delivery, all items in the order delivered together etc.

06

DELIVERY

Allow various delivery methods within the same order, accommodate easy modification of order information like shipping address, modes

07

RETURNS

Provide partial and full return support with configurable return locations

08

TRACKING

Track orders in real-time

09

SCALE

Scale on-demand

Distributed Order Management has the power to make your entire order fulfillment cycle from all channels seamless and error free. They even turn retail stores into effective and efficient mini–Distribution Centers, thereby greatly increasing efficiency.

BENEFITS OF DISTRIBUTED ORDER MANAGEMENT

Distributed Order Management helps you achieve more efficiency even when you have already extracted every last drop of efficiency from your distribution centers with your traditional order management system. More so as fulfillment options expand to accommodate customer expectations and demand. Traditional order management systems aren't capable enough to support omni-channel fulfillment methods, locations and return points.

The many benefits that Distributed Order Management provides are:

01

Supersmart DC / Warehouse

DOM provides a real-time view of all your inventory along the supply chain, and in doing so, it helps you minimize loss from products expiring or getting misplaced in the warehouse. It also helps in inventory allocation beyond order fulfillment. This will lead to improved inventory turns and higher profitability.

02

Automated Order Merging and Splitting

Processing orders effectively and efficiently is the key to profitability. Automated Order transfers between fulfillment locations to handle stock-outs and even out peaks and save the sale by transferring the orders to other stores.

03

Faster Deliveries with Shorter Routes

Make Fewer mistakes on your pick/pack/dispatch process even while allowing convenient time slots, delivery areas, collection points and associated pricing. Efficient use of your fleet and enhanced routing will go a long way to improve profitability.

04 Clearer Communication across the supply chain

Distributed Order Management Systems provide a standardized communication style for emails, quotes, and other forms/ documents with multiple vendors. This helps avoid errors and delays when processing orders. This speed up the fulfillment process to meet customer demands.

05 Omnichannel Sales Coordination

For Omnichannel retailers, Distributed Order Management helps coordinate between multiple sales channels to keep inventory accurate. This leads to improved customer experience with automated communication updates between the business and the customers. This will help in forecasting inventory accurately and quicker replenishment.

06 Omnichannel Promotions

By providing a clear real-time view of all inventories, customer interactions, demand forecast, and fulfillment options, DOM helps you by providing a single promotion management tool to easily devise promotions across all channels – online and offline - that will resonate with the customer and create a consistent experience.

07 Single View of the business

DOM helps assimilate real-time data from multiple internal and external sources - Ecommerce, Stores, marketplaces, shipping and third-party logistics. It eliminates the need to manually intervene for transfer, reconcile, and consolidate data from different sources.

BEST PRACTICES FOR IMPLEMENTING DOM SUCCESSFULLY

01

Solo vs. Unified Approach

Once you have made the decision to go for a DOMS, you have the option to either replace and upgrade only your OMS or change to a completely new system that has DOM inbuilt. There are pros and cons to both the approaches in terms of complexities, compatibilities, time to deploy, and budget. Deciding to replace only your OMS costs less upfront and you can choose from the best DOMs meeting your budget.

A unified approach is more future ready with end-to-end integrations, data centralization and data integrity and advanced analytics, even though they may cost more and take longer to implement.

02

Compatibility with existing systems

Ensure that the DOM you are considering is compatible with all your sources of inventory, WMS, IMS and other systems already in place. Desirable results will come only if it is well integrated with your current systems. Do not forget to check compatibility with the systems used by your vendors to make it a success.

03

Robust DOM Provider

Consider a DOM solution that has been built with a strong product vision and innovation roadmap. You should not only look for the desired features in the product but also look at the responsiveness and support track record, since this will be important to resolve issues during integration and post go live. Look for features like flexible fulfillment support, inventory visibility across the business, single omnichannel promotions dashboard, and user friendliness.

04

Prepare adequately for Transition

Transition can be complex but need not be challenging. 'As Is' and 'To Be' workflows must be appropriately mapped. All stakeholders need to be on the same page and should work towards achieving the project goals. Having the vision fixated towards customer expectations and requirement will help keep the whole team focused.

05

Capable Implementation Partner

A capable partner will make the whole project seem like a walk in the park. Ensure that the implementation Partner you select has hands on knowledge of the DOM platform you are considering as well as in depth domain knowledge. Understanding of underlying technology would ensure that the new system will integrate well and work in tandem with your existing systems creating the desired results. An able partner will ensure that the project progresses as planned and collaborate and communicate well with the project teams and other stakeholders.

WHY KIBO IS THE BEST OF BREED DOM LEADER?

The Forrester Wave™: Order Management Systems, Q2 2021 lists Kibo as a Strong Performer and an organization that shows promising vision, coupled with cutting-edge delivery and commercial models.

Kibo future-proofs your business with speedy time-to-value, agile operations, and low-tech overhead. It's a modern, headless OMS that works with your business now, and grows with it as needed.

Kibo unifies omnichannel order management in an easy-to-use platform that is microservices-based, so you get exactly what you need. No clunky extras needed. With so much uncertainty in retail, Kibo is the OMS that you can count on.

Key feature include:

Modern Headless Technology
With enterprise-level flexibility, you can easily integrate Kibo into any current tech. With open APIs and data inflow and outflow, Kibo works with your technology now and later.

Microservices-Based Architecture
Get what you need, and adapt workflows to streamline with your current business processes.

Intelligent Order Routing
With intelligent order routing, you can transform stores into fulfillment centers. Automate routing decisions to optimize for cost and service and make changes with just a few clicks.

Dedicated UIs and In-Store Tools
Get easy-to-use interfaces that help your employees fulfill orders easily and complete sales from anywhere. Quickly add and onramp new users and customize accordingly, without needing technology support.

IGNITIV AS YOUR BEST-IN-CLASS KIBO ORDER MANAGEMENT IMPLEMENTATION PARTNER

Proven domain expertise, platform experience and technical chops make Ignitiv the undisputed leader of Kibo Order Management solution implementations.

With long years of experience delivering similar solutions to customers on the Kibo Unified Commerce Platform, Ignitiv is best placed to deliver optimal, enterprise grade solutions that provide both the fastest and best ROI on the Kibo Order Management solution.

Ignitiv has worked with:

- *Customers across industries as varied as Retail, Construction, B2B, Home Improvement, Life Sciences, General Merchandise, Apparel and Fashion etc.*
- *Different fulfillment models such as BOPIS, Ship to Home, Ship to store, Ship from store*
- *Integrations involving multiple front-end eCommerce platforms, marketplaces, drop shippers and other services that enable powerful order automation*
- *Kibo Order Management to enable delivery of inventory information for superior customer experience at the front-end in a real-time or aggregated manner; utilized it's powerful routing engine to automate order fulfillment processes*

Ignitiv's work with Kibo Order Management is at the heart of the transformational unified commerce initiatives that tie together physical stores, online, and other channels into a singular, unified and elevated experience delivered to it's clients' customers. This in-depth expertise in Kibo Order Management coupled with extensive experience in Commerce and Point of Sale platforms, CRM / Service, Personalization and advanced ML-enabled analytics makes success a foregone conclusion.

All in all, Kibo Order Management is a best-in-class DOM solution and Ignitiv is a best-in-class implementation partner for Kibo Order Management.

CONCLUSION

Distributed Order Management is all about profitably improving the customer experience, which is the key to building loyalty and improving customer lifetime value. Gone are the days of tweaking with product offerings and/or pricing to stay competitive. Customer expectations have become complex and If you do not keep up with their demands to search for, order and receive products at the time and place they want, they will move to your competitors.

In order to improve customer experience along with operational efficiency, having a single view of your business is a must. To sustain and grow, businesses need to make all available inventories findable, fulfill orders on time as per customer preference and at the lowest cost possible. This will create growth opportunities for businesses in the post-Covid era.

ABOUT



KIBO

Kibo is the only extensible, unified commerce platform that delivers personalized, omnichannel experiences. The platform combines AI-driven personalization from industry leaders Monetate and Certona, omnichannel commerce for B2C and B2B models, enterprise-grade order management.. Kibo's API-first, microservices-based architecture support a wide range of commerce strategies, including headless commerce.

ignitiv

Ignitiv is the **Customer Experience** Agency. We are a full service agency that combines strategy, digital marketing, technology and customer analytics expertise to help craft integrated digital experiences that deliver more customers, more revenues and more profitability. We craft digital solutions that deliver transformative customer experience, working together as a team across disciplines .

#leadtheexperienceeconomy

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