



Unified Commerce: Bringing your omnichannel offerings to the next level

Customer fulfilment as a differentiator

Unified Commerce and customer fulfilment

Within the span of just one (COVID-19) year, consumer expectations regarding a seamless shopping experience have reached new levels. This has given rise to the concept of [Unified Commerce](#), which is the next level of maturity in the omnichannel consumer journey. Key in this concept is customer fulfilment - the ability of a company to deliver their goods or services into the hands of consumers. Knowing your consumers' preferences in the fields of purchasing, delivery and return will determine your competitive edge and future success. So the big question is: how can customer fulfilment become a differentiator for your business?

A wide range of fulfilment options

In recent years, the number of customer fulfilment options has increased substantially. It is only twenty years ago that consumers bought their goods in a store and took them home, or ordered them from a catalogue and had them delivered within a couple of weeks (without any specifics about the time of delivery). Now we have moved to a wide range of options, for ordering as well as delivery and return. Consumers can opt for same-day delivery and receive messages by all kinds of apps that will tell them the exact hour and minute when to expect the delivery. Anything to make the consumer journey as easy and convenient as possible.

Complex choices

However, for manufacturers life has not necessarily become more easy and convenient. Customer fulfilment implies a number of complex choices in the field of e.g. product allocation. Each of these choices has a company-wide impact, from (smaller) margins and tax compliance to supply chain. Also, one choice leads to another. Once a company has taken a particular customer fulfilment road, other options are no longer viable. For instance, inventory deployment. If you are selling designer shoes, you might want to sell these from your flagship store. Consumers who want that particular pair of shoes will come to your store, purchase the shoes, enjoy the flagship store experience, and will likely be inspired to also buy the dress and designer bag that go well with the shoes.

If someone ordered the shoes and they would need to be shipped from the store, the margin would be slightly smaller, but still acceptable. For low-priced commodities this might be a completely

Example: last-minute changes in consumer preferences

So these are decisions well worth considering. They may be made from a commercial perspective, but you need to take into account all kinds of other business processes as well, such as the supply chain. If you offer the opportunity to deliver a product, say, at the consumer's office at 16:00 PM, and the consumer changes the delivery options last-minute to "home delivery", what does that mean in terms of transport? Are your systems and delivery partners able to make such a last-minute change, and if they are, what impact does this have on your margin? In other words: how far are you willing to go to please the consumer? Is it part to your business offering and does it make you stand out between competitors or does it only add costs?

Consumers first

Business decisions like these all start with your consumer target group and their consumer experience. What are their preferences? Which services do we offer? What is affordable? For instance, offering different service model depending on the geography. Some types of delivery options or return options might be easy to fulfil in big cities, but will be relatively expensive in sparsely populated areas. Some products from a hardware store (e.g. drilling machines) may have high margins and may

be easy to deliver, while other products from the same store, such as nails or gypsum boards, may have low margins or may require special - costly - delivery. You may want to offer special services to your "members", but not to all consumers, for the same reason. And some consumer preferences may require certain capabilities that you currently don't have. Once you have considered all these options, you will probably find a gap between "as is" and "to be". So the next question is, what gap should you bridge first? Again, this depends on your consumer target group and their customer experience. How can you add most value for them? And what actions are required to bridge the gap? What does this mean in terms of digital and IT capabilities? Are you going to develop these yourself or do you need an external partner - and which one? A complex puzzle to solve.

Internal alignment

Customer fulfilment involves many business processes and departments, from commerce to tax and supply chain. These are equally important, but they often have different mindsets and approaches. For the tax department, a proposition is either compliant or non-compliant, whereas marketing & sales will be wondering how to turn non-compliant into compliant, because they believe the proposition is vital for the company. Meanwhile, the supply chain director will be concerned with the question of how to deliver the order in-time at that particular location. Also, there might be some tension between increasing the market share and the

consumer experience - by means of the "net promoter score" - and dealing with margins that are too small to make an actual profit. Organising workshops and sessions between departments to develop a shared vision will help, but often, these do not solve underlying tensions between departments about day-to-day operations.

Third parties and customer experience

Next to internal collaboration, customer fulfilment will often require collaboration with third parties, from suppliers to business partners - or even competitors. In the case of business partners and competitors, a common interest and mutual trust are key. For instance, when a retailer has not ordered enough products and you share some of your own stock with them. In the case of suppliers, you can use Service Level Agreements to determine what you expect from them. But because of the various options for customer fulfilment, this is still a complex matter. Maybe you prefer a delivery van with your company logo on it, with a driver who wears a jacket with your logo - for instance, when delivery and assembly are vital for the customer experience and are one of your USPs.

In that case, this could be an interesting investment. Or maybe that jacket is not relevant at all for the customer experience, because your USP is pricing. In that case you may want to hire a parcel courier - or several courier companies - who works for other companies as well, which will decrease the delivery costs and increase your margin.



What does your consumer want and is this an essential part of your offering?

New entrants, new options

Another key question in the field of customer fulfilment is which third parties to choose. More and more new entrants in the consumer business ecosystem are offering new types of service. For instance, there are courier companies that only deliver between 5:00 PM and 8:00 PM, because consumers will be at home by then, so their delivery services are extremely efficient. Or you can work with curb side pickups: platforms where orders are placed online, packaged, and delivered outside a store for pickup, informing consumers at what particular time the goods are ready for pickup. A service that was obviously very useful during the second COVID-19 lockdown. Basically anything is possible, but the major question remains: what does your consumer want and is this an essential part of your offering?

Customer fulfilment as a differentiator

If you have considered all these choices and have come to a customer fulfilment strategy that fits your consumers and your business, this can actually become a differentiator. Just like a strong brand or a unique product.

More and more consumers value products and brands for their delivery and return services. This implies a new appreciation for supply chain management. Before, supply chain was often considered as an expense. Now, it helps a company to stand out between the competition. Sustainability is another interesting topic in this respect. If your products are associated with a noisy, polluting delivery van, this will eventually affect your reputation. Consumers might be too ashamed to have your products delivered. An electric delivery van or bicycle will have a much more positive impact and help you stand out.

On a final note: customer fulfilment, as a dimension of Unified Commerce, does not only work as a differentiator – which will increase your sales – but it will also reduce operational costs, based on smart choices in purchasing, delivery and return. So basically, Unified Commerce will not just bring your omnichannel offering to the next level, but your entire organisation. It will help you to become futureproof in challenging times!

Are you ready to bring your omnichannel offering to the next level?

Please visit [our website](#) or contact our specialist through the contact information. If you register for the [Unified Commerce Lab](#), this “show not tell” experience will help you to kick-start your journey into Unified Commerce.



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