



Fuel Your Omnichannel Commerce Profit

*Three Ways to Soar Over Cost and
Complexity with Intelligent Fulfillment*

Mission: Lift Off omnichannel Success

In today's omnichannel world, you need to give customers WHAT they want, WHEN and WHERE they want it, regardless of the costs.

Shoppers who buy in-store and online have a 30 percent higher lifetime value than those who shop using only one channel.*

You don't want to lose valuable customers, so what's keeping your omnichannel fulfillment grounded?

Challenge One: Omnichannel Fulfillment Costs Are Skyrocketing

With online order volume on the rise, retailers have seen a skyrocketing increase in omnichannel fulfillment costs.

But most retailers don't have a clear understanding of where those costs are coming from or how to shrink them.



Fuel Your Understanding of the Moving Parts

First, let's take a look at the primary cost factors impacting your omnichannel margins:

- Carrying inventory
- Cancellation
- Returns
- Shipping
- Load variance
- DC/Store.



A space shuttle is shown in the process of launching, ascending vertically against a backdrop of a blue sky filled with white and orange-tinted clouds. The shuttle's white body and orange external tank are visible, with a large plume of white smoke and fire trailing behind it.

Solution One: Stop Burning Through Your Margins

Once you identify the unnecessary omnichannel fulfillment costs, you can eliminate them in real-time, making inventory management and sourcing decisions a breeze. Watson can help you expose, evaluate and balance all hidden factors impacting Omnichannel fulfillment costs

One leading retailer saved seven percent or USD20M on total annual shipping costs through real-time order sourcing and optimisation.

Challenge Two: Sourcing Decisions Can Seem Like Rocket Science

59 percent of consumers choose a retailer based on omnichannel capabilities.*

Clearly, consumers are now demanding faster and more flexible options. But with each additional channel, sourcing decision become more complex.



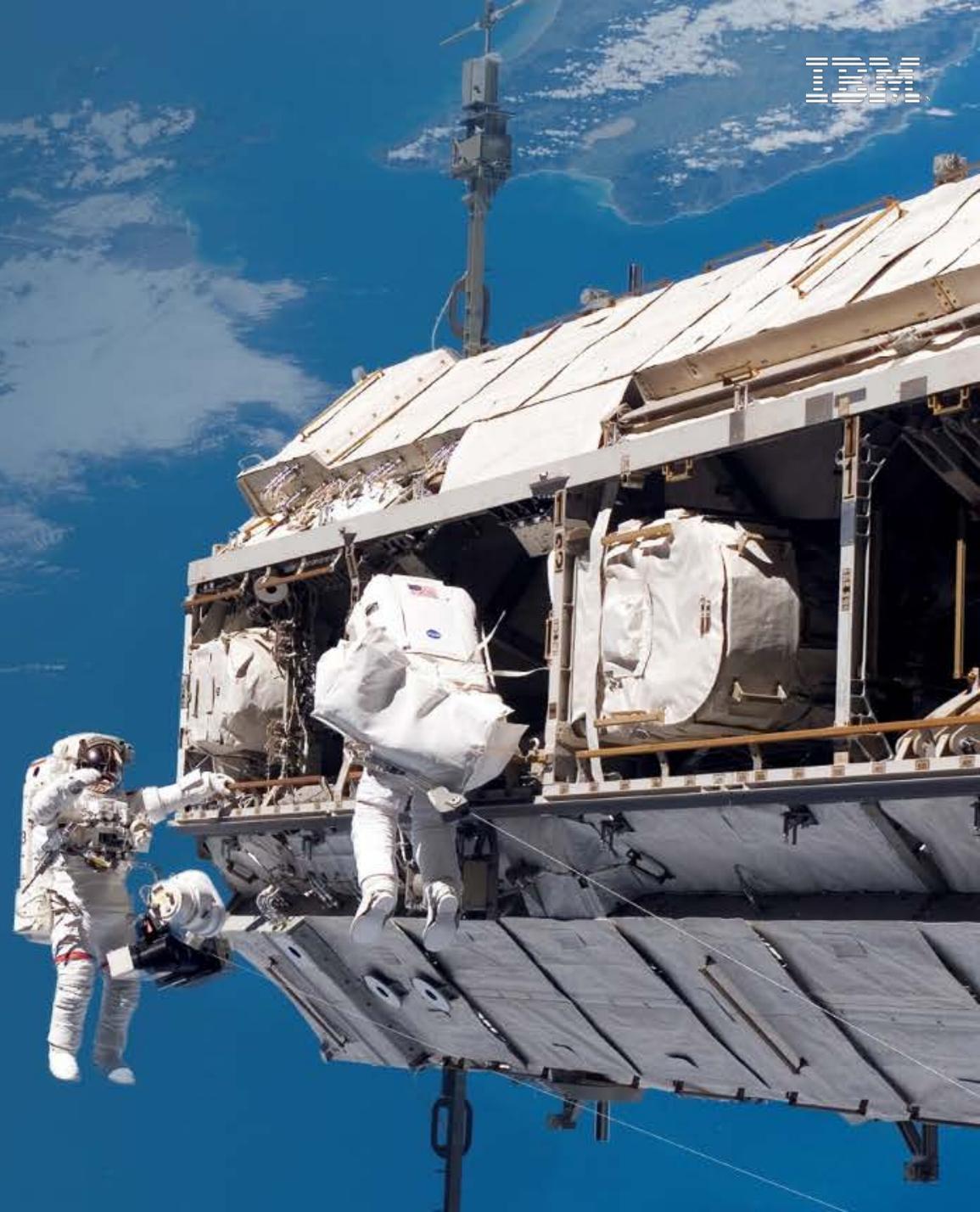
Solution Two: Let Watson Be Your Genius Rocket Scientist

Monitor key performance indicators and make the best sourcing decision for each order based on predictive models that analyse all factors.

One leading retailer achieved return on investment (ROI) in as little as eight days with an artificial intelligence (AI)-enhanced order management and fulfillment platform.

Challenge Three: Traditional Inventory Planning Processes Can't Handle the Payload

Changing demand patterns make inventory planning more complex and costly. And poor inventory management leads to inefficiencies, more costs and annoyed customers.



Solution Three: Get On Board with Intelligent fulfillment

Companies with omnichannel fulfillment solutions in place are 155 percent better at inventory sell-through than competitors without.*

Align your inventory with demand patterns across the entire fulfillment network to sell through more. Watson can identify changing consumer patterns and optimise inventory, avoiding markdowns and minimising stock-outs.

* Aberdeen Group, "Omnichannel and Cost-to-Serve Trends, Capabilities, and Readiness," 2016



Fuel Fulfillment Savings and Propel OmniChannel Success

It's complex on the ground, but you can rocket your omnichannel fulfillment to new heights.

The cognitive capabilities in Watson Order Optimiser can help you:

- Gain real-time insights to make more profitable fulfillment decisions with optimised omnichannel performance
- Solve cost-to-serve challenges and continuously improve omnichannel profitability
- Leverage your inventory and distribution process to accelerate sell-through and minimise markdowns.





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