

INSIGHT INTO ACTION

CASE STUDY: HIGH VALUE GOODS

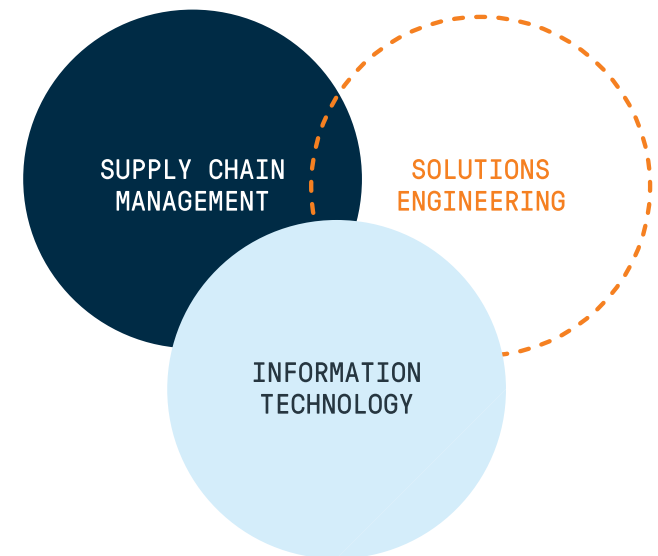
WHAT HAPPENS WHEN YOU NEED TO STACK THE SHELVES HIGH TO MEET DEMAND?

How a flexible supply chain can manage peaks periods



Peaks in demand often lead to large stock fluctuations throughout the year, which can be difficult to predict and manage. If goods aren't delivered where and when they need to be, this can result in missed sales opportunities and disappointed customers.

To fulfil these peaks, it is essential to find a 3PL partner that can provide a flexible solution which incorporates high volumes and a just-in-time demand process. For over a decade a major consumer electronics company have chosen us as their logistics provider: managing several peak periods with Christmas, Black Friday and their product launches all having a significant impact on demand.



OUR CUSTOMER'S CHALLENGE

As a global leader in consumer electronics, our customer needs to ensure retailers consistently receive quality products as fast as possible and in perfect condition.

However, in some years, 60% of their total volume was delivered in just one quarter, presenting a particular challenge for warehousing and distribution resources. It took considerable planning to achieve continuous movement across the supply chain.

Yet, forecasting was often difficult to determine, as consumer trends remain notoriously unpredictable. This meant that the specific resource need was often not known until the week before, with up to 35% of weekly volume landing on a single day to meet shopping habits.

Furthermore, as FreightWatch International warned of higher cargo theft across the seasonal period, high value goods required maximum protection from warehouse to retailer.

Thus, with complex needs for warehousing and distribution across the UK, alongside weekly and seasonal peaks, our customer needed a 3PL who could provide flexible, year-round secure logistics for the short retail life cycles of high value cargo.



+60%

OVER 60% OF
YEARLY VOLUME WAS
DELIVERED IN THE
LAST QUARTER OF
THE YEAR.

THE BENEFITS

When it comes to managing peaks, flexibility is key to handling higher volumes for maximum profit. Only with greater flex can you ensure your warehousing doesn't collapse under the pressure and you can keep meeting demand when your product takes off.

That's exactly what we're delivering for this major electronics brand, as we continue to manage the warehousing and distribution for significant volumes of goods.

Plus, we're exceeding all our targets for high value cargo, with 100% efficiency of inventory on

demand (IOD) and near-perfect delivery of on time in full (OTIF) goods.

When pressurised peaks loom ahead, we mobilise hundreds of trained agency workers and increase warehousing space for lower-risk products during peak periods. This enables us to flex when and where we need to.

Our warehousing and distribution are ideally located near to key ports so we have maximum control to carefully plan our network and ensure the greatest efficiency.

On top of this, with state-of-the-art shipment visibility, even individual SKUs can be tracked in real-time from warehouse to retailer. This full visualisation means we act fast and flex if any issues arise, so delivery is never compromised even with the added pressures of high value cargo during peak periods.

When consumers' expectations soar, our customer continues to meet growing demand in an increasingly competitive marketplace so they can forge lasting connections with their own customers.



BENEFITS AT A GLANCE

Managed non-forecasted volume increase by 30% year-on-year in December

Made additional 20,000ft² of warehousing operational within a week

99.89% efficiency for OTIF of high value goods

100% efficiency for inventory on demand of high value goods

OUR SOLUTION

We made sure demand was always met. Finding flex in your warehousing processes is always more difficult when handling high value goods, but the right expertise makes a big difference.

With flexible processes, we could still deliver the goods even when volume reached its peak. Robust warehouse management was continually adapted and adjusted as needed to ensure short lead times were never compromised.

Our team had regular, in-depth training on how to handle our customer's high value cargo, so we

could keep a larger technical team throughout the year. That way, sensitive items were always handled by specially trained staff and we were able to react quickly whenever needed. With us, a major electronics company could then face the pressure of peaks without sacrificing on quality.

At the height of the peak period, we also flexed to suit the needs of end-retailers with honed inventory management and tailored pallet reconfiguration.

Robust stock management and demand planning

meant floorspace could be strategically allocated so there was no pause in movement of goods. Even with increased volume, we then consolidated pallets as they arrived to meet the height requirements of each end-retailer's racking specifications.

With all these processes in place, our customer's supply chain had greater flexibility to meet demand. Plus, looking forwards, we established and agreed KPIs to inspire continuous improvement for the peaks ahead.



OUR PROCESSES HOLD STRONG EVEN UNDER INTENSE PRESSURE, SO YOU CAN TRUST MY TEAM TO KEEP YOUR SUPPLY CHAIN MOVING.

REGIONAL GENERAL MANAGER,
YUSEN LOGISTICS



CONTACT DETAILS

UK +44(0) 1604 748500

Email: insight@uk.yusen-logistics.com

Twitter: [@yusenlogisticse](https://twitter.com/yusenlogisticse)

LinkedIn: [yusenlogisticseurope](https://www.linkedin.com/company/yusenlogisticseurope)

Visit: www.yusen-logistics.com