PULPO WMS

SIX TIPS FOR
CUTTING WAREHOUSE EXPENSES AND BOOSTING PROFITS

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— INTRO —

Profitability is a matter of life or death for your E-Commerce business at the moment. A well-thought-out plan is essential to reduce unnecessary overhead and expedite operations.

Increased productivity and decreased operational expenses are essential to achieving any meaningful success in today's low-growth, high-competition economy.

In this guide, we will cover how you can increase your profits.

Your warehouse management is the lifeblood of your E-Commerce business, contributing to process optimisation, customer satisfaction, and overall profitability. It's easy to lose sight of the fact that stock on hand is the same as money in the bank, which is why it's so important to minimize supply chain expenses through better planning and also provide everyone involved in your company a complete picture of how things work at every stage.

We have designed 6 Essential Tips to get your E-commerce business on track to saving money and creating more profits in these exceptional times, in which many businesses are embracing the digital revolution in logistics to ensure their firm grows (and not simply survives).

Accurate Stock Data

Maximized Warehouse Efficiency

Optimised Storage Capacity

1. A Picking Process that Maximizes Efficiency

The pandemic showed you that you need the flexibility to smoothly adapt your picking process to a new reality, one in which speed is no longer the only criterion but rather speed plus accuracy.

Think about how going to the grocery store once a month has changed in the midst of a pandemic. The stress of online interaction has been added to all the classic problems, such as forgetting products, adding to orders, running out of stock, making substitutes, etc. It's important to prevent customer discontent and refunds while selling online.

With smart tools, you'll be able to streamline operations, boost productivity, and cut expenses, giving your customers the sense that they're being supplied for and cared for.

The benefits of a paperless picking process:

Picking is usually the most time-consuming task in your E-Commerce order processing.

Sometimes it can be difficult to decide on a picking method for your company. However, if you make a good decision, your orders will get out considerably quicker, and your clients will be more than pleased. Alternatively, a company can get into financial problems if it uses a picking process that is inefficient and inaccurate, or is just unsuited to a certain type of order.

Need to get going right away? Learn how to improve your picking efficiency by reading this: **Picking Strategies.**

We also stress the significance of collecting and analyzing data to discover patterns and insights about your warehouse productivity.

With minimal input from your end, a modern **Warehouse Management System** will boost productivity across the board and give you a leg up on the competition.

2. Assigning the optimal warehouse position
for your products

Warehouse position optimisation, which involves the methodical analysis of inventory data for the aim of categorizing and organizing goods within a warehouse or distribution center, is an essential mix of science and creativity.

Ultimately, this improves warehouse efficiency and productivity, leading to greater profits.

If you need a reminder of how important it is to have goods when you need them, just think about the recent shortages of essential products since 2020.

A smart warehouse layout might be a crucial differentiation between your service and your competition, therefore it's essential you get it right. The ultimate goal and a major contributor to enhancing picking speed and order processing is to have the right product in the right place at the right time.

The outcome is a simple, effective process that will wow customers.

3. Accurate and Synchronised Stock Data

With the influx of a new generation of online consumers, a variety of retail trends, and a worldwide shift in consumer purchasing, it is more important than ever to have complete visibility of your inventory.

Since most business owners are preoccupied with other matters, this often gets forgotten. When firms enforce social distance or when employees are absent, it is nearly impossible to rely on an employee's recollection to locate product.

According to recent research, the efficiency of most businesses' fulfillment processes is below average. If you don't know how much of a certain item you already have on hand, you can end up with either too little or too much of it the next time you place an order (and not be able to move it while your cash investment sits dormant on shelves).

Not only would this cause problems with fulfillment, but it also runs the risk of causing losses due to expiration, depending on the nature of your organization.

Each company has its own set of issues and demand cycles, so it's important to evaluate all of these variables to ensure that your inventory data is always accurate in your online shop, ERP or accounting solution.

4. Storage Space
Utilization

Optimising your storage capacity may seem like a no-brainer, but in practice it's a lot trickier and more nuanced than it first appears. Even while it is clear that stockpiling is necessary in the face of disruptions in global supply chains, questions of what and where to store inventory raise significant difficulties in terms of adaptability, cost, and availability.

Successfully optimised warehouses are essential for a nimble E-Commerce operation and help you surpass competitors on every level. This is because they save time, space, and resources while decreasing errors and increasing flexibility, communication, and management.

The physical layout of the warehouse is one factor to think about when trying to maximize storage capacity.

If you want to learn more about an easy way to design the digital layout of your warehouse to make the best use of your available storage capacity check out the **warehouse wizard**.

5. Cross Docking

In the midst of a pandemic, when supply chains and logistics are already under stress, cross docking is a brilliant strategy for cutting warehousing expenses.

In a time when delivery and labor are two of the most unpredictable and unreliable resources, this not only saves time and money on inventory management and storage, but also on shipping and labor. The on-demand or just-in-time trend can be met by eliminating unnecessary steps in the shipping process in order to get products to clients more quickly.

Cross-docking is a special form of order picking. An incoming product will be received directly and placed in a temporary cross-docking position. From there, the goods are then picked and taken to the packing station, without the article going through the put-away.

Every company should weigh the benefits and drawbacks of cross-docking solutions before incorporating them into routine practices. Products not being stored in the way your organization would like could lead to a greater loss of control over stock.

The good news is that with a solid WMS, you can put in place rigorous inventory control systems and practices to offset this and utilize cross docking successfully.

Cross docking is a concept that, when implemented properly, can offer substantial benefits and solutions for optimizing supply chains. Remember that the primary goal of cross docking is to get good out the door fast.

6. Using Appropriate Technology

Technology is constantly evolving as a result of the COVID-19 panic and the rush to multichannel and online shopping by many retailers. You can't afford to let any part of your supply chain stagnate, so you'll need a solution that can grow as your needs do.

Make sure that any solution you evaluate meets the following requirements:

Cloud-based software as a service
To keep your margin healthy you do not need to invest in expensive on-premise technology infrastructure. Additionally, you need to be able to access your management dashboard from any browser and any place today.

Easy-to use App for you employees
You cannot afford to have long training cycles. A modern tool needs to guide your staff step by step with an intuitive, error-proof App. This is best achieved with a native App that works with gestured and not a clunky PDT you need to operate with a stylus pen.

Open APIs for your Best of Breed Tech Stack
You need the flexibility to decide which E-Commerce platform works best for you. The same goes for your accounting software and shipping label provider. This might also change over time. Be sure to choose a solution that has an open Application Programing Interface (API) that you can integrate to the rest of your tools.

In Summary:

An efficient and streamlined warehousing process is essential to the success of any organization, and a WMS is a great tool for managing the entire process. With the help of a WMS, you can streamline and optimise your whole internal supply chain, resulting in an inventory accuracy of up to 99 percent.

Implementing the appropriate WMS system will guarantee that you always have key information at your fingertips, saving you time and helping you to make important decisions without delay by alerting you to vital stock and performance issues.

Do you want to stay competitive and profitable?

Contact our E-Commerce logistics experts today:

Request a Demo

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