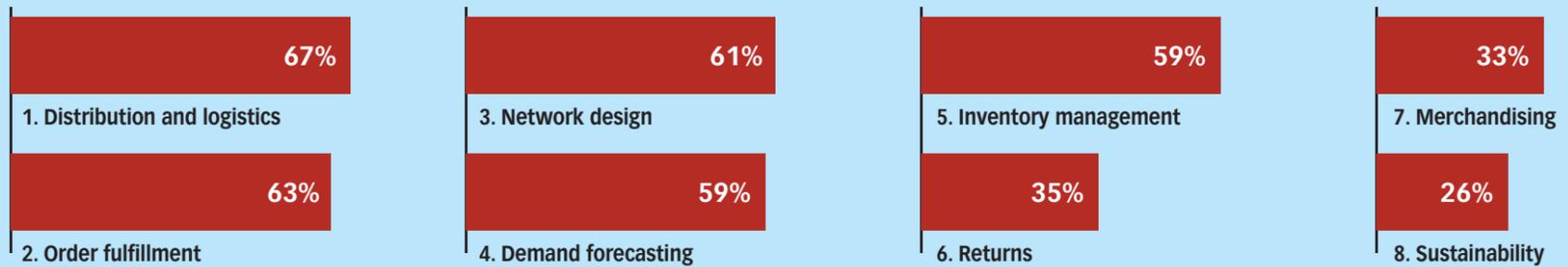


The changing landscape of omnichannel fulfillment

The pandemic-driven surge in e-commerce has left virtually no aspect of the retail supply chain untouched, forcing retail leaders to rethink everything from how and where they prepare orders to the delivery options they'll provide. A new survey conducted by the Massachusetts Institute of Technology (MIT) Center for Transportation & Logistics in partnership with DC V_{ELOCITY} examines some of the changes they've made and the challenges that remain. Here's a look at some of the findings:



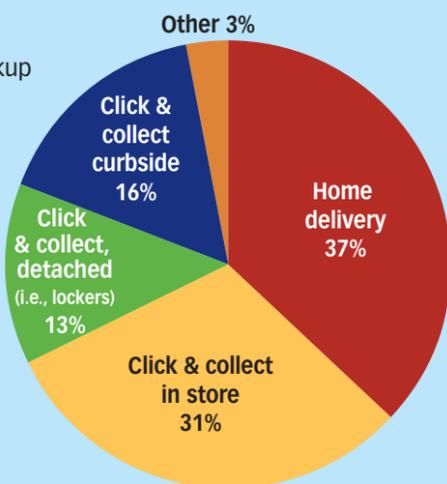
Top areas impacted by e-commerce growth (% of responses, multiple answers accepted)



Not surprisingly, distribution/logistics and order fulfillment are the supply chain areas most impacted by the growth of e-commerce. Not only is e-commerce boosting the number of deliveries, but more on-demand delivery services are required. Online commerce is also changing the way retailers fulfill (pick, pack, and ship) orders.

Types of distribution channels offered to customers

It is notable that curbside pickup and home deliveries grew substantially during the pandemic, most likely due to retailers' efforts to adjust to Covid-related safety protocols. Now, click & collect options are the leading distribution channel offered to customers even as pandemic restrictions have eased in many parts of the country.

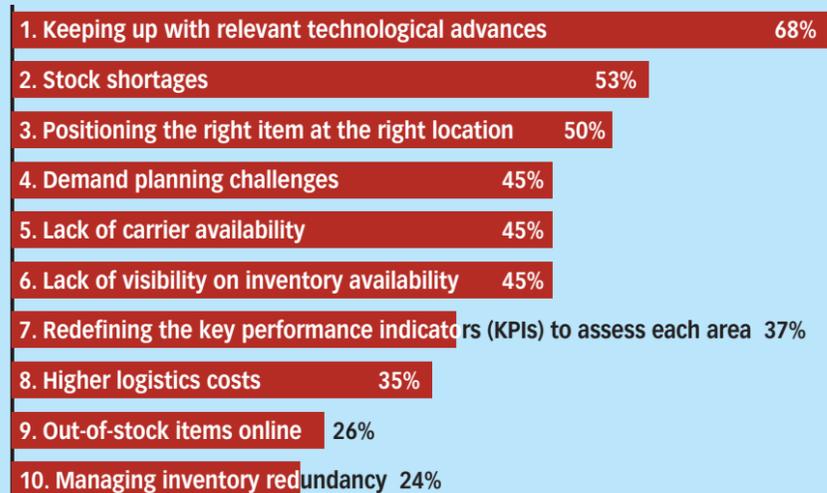


Top challenges facing retailers in shaping their omnichannel distribution strategies (% of responses, multiple answers accepted)



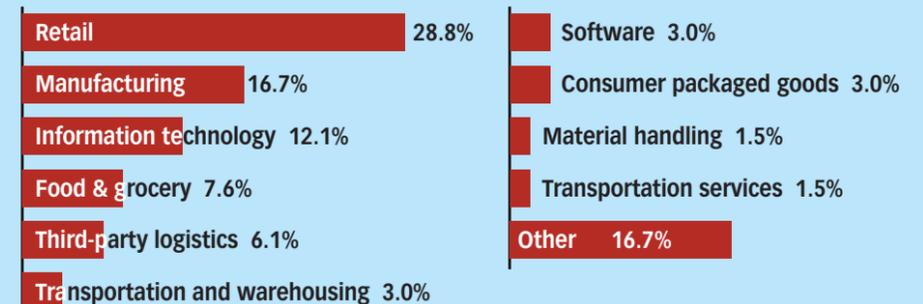
To address omnichannel distribution challenges, retailers are concentrating on upgrading and, in some cases, completely redesigning their networks to integrate the online and offline channels and be able to compete in today's cutthroat retail environment. As part of the process, many must weigh the tradeoffs between distance, cost, and fulfillment capacity, especially when they need to provide same-day deliveries.

Main pain points facing retailers today (% of responses, multiple answers accepted)



The struggle to keep current with technology and stock shortages are causing the most pain for retailers today. This means many retailers are on the hunt for ways to quickly incorporate technologies that will help provide end-to-end visibility across their supply chains.

Participants by industry



About the study: Conducted by the MIT Center for Transportation & Logistics, the "How is omnichannel transforming retailers' supply chain?" survey explored how the rapid increase in e-commerce has shifted retail supply chains' omnichannel strategies over the past year and a half. The survey was conducted among 66 logistics, warehousing, and supply chain professionals from a variety of industry sectors in September 2021. To learn more about the study's results, contact Dr. Eva Ponce at eponce@mit.edu.