

CASE STUDY

WICKES HOME DELIVERY DIFFERENTIATES SERVICES AND REDUCES COSTS BY £300,000



WICKES HOME DELIVERY DIFFERENTIATES SERVICES AND REDUCES COSTS BY £300,000 WITH VSC SOLUTIONS' ELECTRONIC DELIVERY MANAGEMENT AND TELEMATICS TECHNOLOGY



WICKES

Wickes, part of the Travis Perkins group, is a leading home improvement retailer, catering for both tradesmen and DIY enthusiasts. Also, Wickes offers a range of kitchen and bathrooms, which are sold in-store and supported by its Home Delivery operation. Wickes makes 150,000 deliveries per year and, at its peak, delivers a kitchen every 3 minutes.

THE CHALLENGE

Compressing the delivery window

Wickes recognized that offering customers more precise delivery times would differentiate its offering in the highly competitive home improvements sector. With these issues in mind, Wickes identified the need to move to electronic delivery management to streamline processes, reduce costs, and enhance the customer experience.

CUSTOMER PROFILE

Company

- Wickes
- UK

Industry

- Home Improvement

Motorola Products

- Motorola MC9094

Partner

- VSc Solutions

It's got our name on it. **Wickes**

CASE STUDY

WICKES HOME DELIVERY DIFFERENTIATES SERVICES AND REDUCES COSTS BY £300,000

Wickes are continuously reviewing ways to innovate and improve customer service, and recognized that mobile computing technology could help to achieve this. Working with VSc, Wickes deployed Motorola's GPRS enabled MC9094 handheld computers to provide ePod and data capture capabilities along with a telematics system to track and trace vehicle and driver activity. The use of this technology has reduced incidents of contested deliveries, saving around £250,000 per annum - while the firm is also recouping £50,000 by improving driving based on telemetry data. In addition, through optimised route planning and real-time vehicle tracking Wickes can deliver within customer-defined time windows. Where customers are happy to pay for more precise delivery times, Wickes has not only improved service and cut costs, but it has generated additional revenue.

THE SOLUTION

Electronic delivery management

Working with VSc Solutions, Wickes provided drivers with handheld computers - Motorola's MC9094 – and equipped vehicles with telematics technology. The daily route for each vehicle is planned and monitored in real-time using Paragon fleet management software. The use of handheld computers enable drivers to alert Customer Services if they cannot make a delivery. Customer Services can then take relevant action, e.g. to contact the customer, authorise the non-completed delivery, etc. The MC9094s are also used to scan deliveries to ensure accuracy of orders with customers signing against the items for Electronic Proof of Delivery (ePOD). Any discrepancies such as damaged goods, are noted by the driver, photographed using the handheld device and the image sent to Customer Services who can then liaise with the customer to agree redress or resupply.

BUSINESS BENEFIT

Reduced costs of £300,000 and enhanced customer service

Wickes has complete control over the planning, execution, tracking and management of deliveries. The real-time integration of the distribution operation and back-office systems ensures Customer Services can monitor and control the behaviour of the driver: authorising ad-hoc collections, returns and moving off schedule. Customers are provided with a tailored time window for deliveries and Customer Services have the information for decision support to be able to take pre-emptive action such as change delivery schedules or contact the customer where they know specific delivery times cannot be met. When the system went live, an immediate drop in contested claims was achieved with Wickes saving on average £250,000 a year in managing claims and replacements. A further £50,000 a year is recouped via vehicle maintenance and fuel cost savings.

Rob Ivers, General Manager of Wickes Home Delivery Network said: "The ePOD solution from VSc gave us the platform to check claims, confident in the proof of delivery information received. It has transformed the way we handle claims or queries and also reduced the man-power required."

Application(s)

- **Efficient planning and execution:** Routes are automatically planned and tracked
- **Job allocation:** Drivers receive details of orders, routes and customer information through the handheld computer
- **Scanning:** Consignments are scanned to ensure the complete order delivery
- **Electronic proof of delivery (ePOD):** Drivers scan deliveries and customers sign for them for accurate and reliable proof of delivery
- **Exceptions:** Any discrepancies in deliveries – e.g. damaged goods – can be immediately recorded by the driver device and Customer Services notified
- **Real-time intelligence:** GPRS data from the device enables driver tracking and awareness of likely route disruption

Benefits

- **Enhanced customer service:** Streamlined processes ensures Wickes can deliver to customers in two-hour windows
- **Real-time intelligence:** Customers can be kept in the picture about delivery progress in real-time
- **Reduced claims:** End-to-end order tracking and improved accountability eliminates instances of "lost in transit" or customer queries; estimated 20 percent reduction in claims per annum
- **Operations efficiencies:** Electronic reporting and distribution of jobs cuts paperwork and administration across the business
- **Fleet efficiency:** Refining drivers' styles based on telematics analysis is saving an estimated £50,000 per annum in fuel and maintenance

CASE STUDY

WICKES HOME DELIVERY DIFFERENTIATES SERVICES AND REDUCES COSTS BY £300,000

THE BUSINESS VALUE

Differentiation in a highly competitive market

With a strong commitment to customer service at the heart-beat of its business, Wickes identified that it could stand its service apart from its peers by offering deliveries that are tailored to customers' schedules.

The challenge for Wickes is that its fleet of 60 vehicles, operating from eight depots, delivers 150,000 consignments a year; so moving from a wide time window to a more precise delivery time represented a major logistical challenge. That said, the team recognized that evolving mobile computing and telematics systems could smooth the transition to set delivery times.

The team also focused on deploying technology that would help reduce the incidents of contested deliveries and the related administrative overhead.

Systems assessment

As part of the technology evaluation process, Wickes decided to complement its strong in-house IT resource with specialist support from VSc Solutions. On the face of it, the project involved new handheld computers and a telematics system. But to optimize the technology, it needed to be fully integrated with delivery, CRM and Warehouse Management Systems (WMS) – a complex task.

Rob Ivers continues: "One of the benefits of working with VSc is that they really are a one-stop shop. It was great not to have to deal with multiple suppliers and integration teams."

In close conjunction with VSc, Wickes selected the core hardware including the telematics for tracking and driver analysis, and Motorola's handheld computer the MC9094, to enable drivers to manage deliveries and secure ePOD. The reasoning behind the selection of the MC9094 is explained by VSc's Director, Anthony Munro-Martin: "These applications are business critical and we've always used Motorola devices because alongside a wide range of features designed for distribution – the GPRS connectivity, ePOD, scanning and the camera – they're rock-solid and don't suffer the same level of returns as comparable devices."

Complete integration

With the hardware selected, VSc and Wickes moved to integrating it into a complete order and delivery management system. This required connecting Wickes' CRM applications to its Callidus WMS, and Paragon's route planning and monitoring applications.

Says Anthony Munro-Martin: "The integration has produced an elegant end-to-end system. When a customer places an order in store, a time window is agreed, the details entered into the CRM app' and an order process triggered that informs the order and WMS applications."

Customer service and commercial advantages

The technology enables Wickes to trace orders in real-time - as they are loaded, in transit and with customers. This level of control, along with optimised route plans enabled by an external GPS antenna linked to the Motorola 9094, ensures that Wickes can commit to a customer-defined delivery window. It soon becomes clear if a delivery SLA is in danger of being breached and Customer Services can liaise with the customer to rearrange a delivery. Drivers can also request a re-route via the handheld device, and await approval from Customer Services before they move off schedule.

In addition, any exceptions, such as damaged goods, can be recorded by drivers and sent to Customer Services to immediately address the problem with the customer.

Drivers can provide customers with a printed copy of the items delivered using a Zebra Bluetooth printer. Customers are asked to sign to confirm goods receipt and the information is sent back to base immediately via the GPRS network.



CASE STUDY

WICKES HOME DELIVERY DIFFERENTIATES SERVICES AND REDUCES COSTS BY £300,000

Delivering future innovation

The Delivery Management System has delivered major gains to Wickes. The real-time accurate data provides clear evidence of deliveries; incidents of claims for damaged or non-delivered good dropped by a fifth. So much so, that Wickes estimates that the cost of managing claims and reduced replacement deliveries has been cut by £250,000 a year.

Further cost savings have been accrued by working with drivers to adjust their acceleration and braking based on telemetry evidence. This 'sympathetic' driving approach is estimated to save around £50,000 per year in vehicle maintenance and fuel costs.

Rob Ivers concludes: "The VSc ePOD solution did exactly what they said it would do. We have achieved major customer service enhancement from having instant, online access to customer delivery information and we can react more quickly and intelligently to customer queries. The functionality provided by the integrated ePOD and tracking systems means that we can now actively explore the next steps in developing our business systems to provide the ultimate in customer service."

VSc

VSc Solutions is at the forefront of vehicle and delivery tracking, route monitoring and proof-of-delivery management. Its technical know-how helps companies extend real-time visibility from the warehouse across the entire delivery and collection process - with solutions that both reduce distribution costs and improve customer service. Core areas of expertise span ePod, vehicle tracking and telematics, route monitoring and compliance, and integration services including back office, warehouse and ERP systems.

For more information on how Motorola's MC9094 rugged handheld computer can improve your logistics operations, please visit us on the web at www.motorola.com or access our global contact directory at www.motorola.com/enterprisemobility/contactus

MOTOROLA, MOTO, MOTOROLA SOLUTIONS and the Stylized M Logo are trademarks or registered trademarks of Motorola Trademark Holdings, LLC and are used under license. All other trademarks are the property of their respective owners. ©2011 Motorola Solutions Inc. All rights reserved.

