

Midland Metal

White Paper topic: Private label shipping

The e-commerce market continues to grow and evolve and as it does, customers have more and more distributors to choose from. Aside from reasonable prices, customers are often looking for quick turnaround times, accurately shipped orders, and quality products.

They want assurance that distributors can ship them any product they need. But this doesn't mean distributors and retailers have to waste precious inventory space and money stocking every single product in their catalog.

Instead, they should be directing overhead costs towards where it matters more—marketing, customer service, and the means to power their company towards sustainable growth. Meanwhile, their customers need to know they can trust the quality of the products, the knowledge and expertise distributors provide, and that they can meet all their needs.

Customers need a silent partner in the background who can support their inventory needs and help them promote their brand. Meanwhile the customer can focus valuable resources on expanding and growing their business. Traditionally, supply chains would move products at a scheduled time, much of which would waste space on the shelves at distribution centers or stock rooms at brick-and-mortar stores. Now, shipments are smaller and more frequent, sometimes even daily, in order to fulfill consumer demands and keep up with the competitive e-commerce market.

Asset sharing, which might mean includes sharing warehouses, trucks, and drivers with peers and competitors, is helping companies improve upon their ability to ship anything anywhere in a short amount of time. With only so much warehouse space available, companies can collaborate with other companies, to drive efficiencies, improve service, and manage costs. Shared networks can quickly lead to improved asset utilization for companies, whether it's warehouses or trucks. Then, they're also sharing costs, thus lowering their overall supply chain cost and improving cash flows.

Companies in many industries, face common issues such as a shortage warehouse space, which limits their shipping capacity. By using the warehouse space of their vendor, they can limit costs and aim the money they save toward marketing and other operating costs.

It seems inevitable that the number of businesses impacted by the "Amazon Effect" continues to grow. This means it's important to look at the way they're managing their supply chain. E-commerce and several other disruptors are making operating a supply chain even more challenging, but with challenge comes opportunity and fertile ground to leverage innovation toward a competitive advantage.