

The complete guide to Warehouse Management Systems for supermarket retailers

The lingering impacts of inflation, continued e-commerce growth and the return of the store shopping experience are having a significant impact on today's supermarkets. Retailers must continue to innovate to delight their customers, and many are turning to technology and automation to remain competitive.

Amit Levy, EVP of strategy and sales for Made4net, a global WMS software provider, said ...



Amit Levy

“A significant number of grocers worldwide have adopted Warehouse Management Systems (WMS) to streamline their operations. A WMS helps supermarket retailers manage their inventory more effectively, streamline operations, reduce costs, enhance customer satisfaction, and adapt to changing demands and regulations.”

Understanding warehouse management systems

The simplest definition of a WMS is a software solution designed to optimise and streamline warehouse operations, including inventory management, order fulfilment, and labour efficiency. According to supply chain and enterprise solution providers, enVista, WMS software has come to encompass



Image by NanoStockk, www.canva.com

how you receive inventory, how you store it, how you pick items for shipment and how you know when to order more.

Because there's so much interconnectivity built in, software naturally makes these processes cleaner, easier to track, and less susceptible to human error. WMS software solutions offer visibility into a business's entire inventory and manage supply chain fulfilment operations from the distribution centre to the store shelf or customer door. However, not all warehouse

A WMS is a software solution designed to optimise and streamline warehouse operations, including inventory management, order fulfilment, and labour efficiency.

management systems are created equal. Although a WMS can be comparatively analogue, it does not mean it has to be; just

because some warehouse management systems come with every feature available, it does not mean you must adopt them all. When searching for the right WMS system for your business, it's a matter of finding what's right for you with a system that is flexible enough to adapt as external factors and conditions shift or the business grows.

Please note that WMS is not to be confused with Warehouse Control Systems or Warehouse Execution Systems, WCS and/or WES, but how they overlap should be understood.

The main advantages of a WMS

Over the past four years, the grocery sector has faced numerous challenges, including pandemic-related fears, safety concerns, inflation, and constant supply chain disruptions. These difficulties have highlighted the critical need for technology that enables supermarket retailers to stay competitive, meet consumer expectations, and be prepared for future challenges.

A WMS delivers many benefits including ...

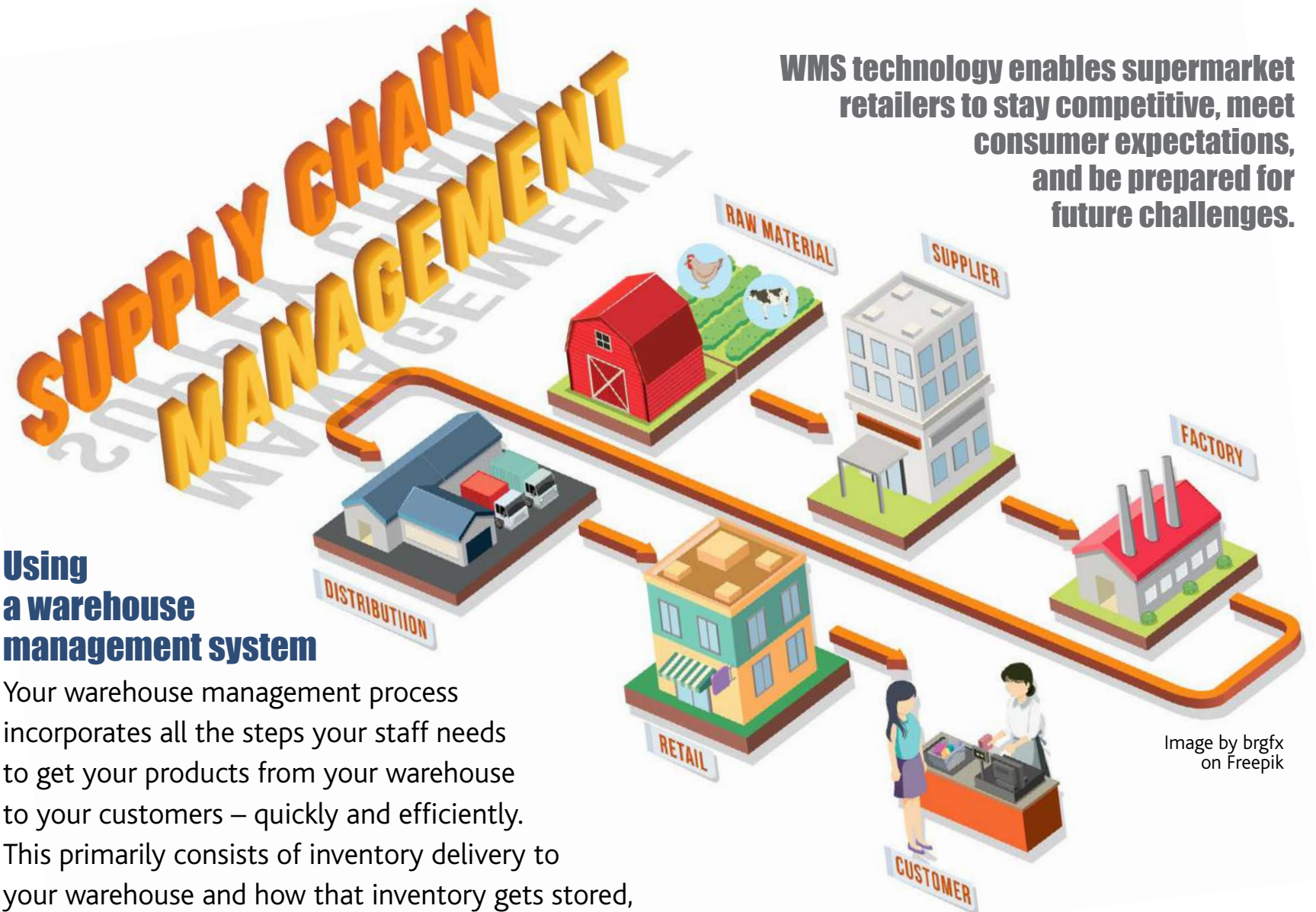
Increased efficiency and accuracy: A WMS optimises warehouse processes, reducing errors and improving inventory management, which is essential for meeting consumer demands promptly.

Cost savings: By streamlining operations and reducing labour costs, a WMS helps retailers manage expenses more effectively, ensuring they can adapt without incurring unsustainable costs.

Enhanced flexibility: With advanced technology, retailers can create new, effective processes and quickly pivot to meet changing consumer demands and market conditions.

Real-time data management: A WMS provides comprehensive data collection and management, enabling better decision-making and strategic planning to maintain consistent profit margins.

Scalability: As retailers expand their offerings, a WMS supports scalability, allowing them to manage increased inventory and delivery options efficiently.



WMS technology enables supermarket retailers to stay competitive, meet consumer expectations, and be prepared for future challenges.

Using a warehouse management system

Your warehouse management process incorporates all the steps your staff needs to get your products from your warehouse to your customers – quickly and efficiently. This primarily consists of inventory delivery to your warehouse and how that inventory gets stored, in addition to order picking, packing and ultimately shipping to customers.

Our consulting partner, enVista, explains that a WMS manages ...

- **Inventory reception/tracking** – The first step in your WMS’s responsibilities begins when the inventory arrives. You need to track what arrives, when it arrives and store it in a way that allows you to retrieve it quickly.
- **Shipping** – This includes the delivery options and shipping services offered to customers. Your WMS includes the completed order details and provides order tracking details for the customer.

- **Picking and packing** – When an order comes through, it must be quickly and accurately picked from its storage location to match a client’s order. A WMS should generate pick lists for each picker to retrieve items in the most efficient way. From there, a packer will place items securely in a shipping container.
- **Reporting** – Your software not only tracks where the inventory is in the system, but it can provide records that summarise the health of the overall system. These reports indicate how quickly orders are fulfilled and how accurate your fulfilment is, leading to data-driven decisions.

Image by brgfx on Freepik



Is Your Supply Chain Stuck in the Past?

Discover why classic Materials Requirements Planning (MRP) falls short in today's global supply chains. Demand Driven Africa is revolutionizing planning, boosting performance and responsiveness.



Ken Titmuss
ken@demanddriven.co.za
+27 83 700 4354



www.demanddriven.co.za

Your Demand Driven Journey

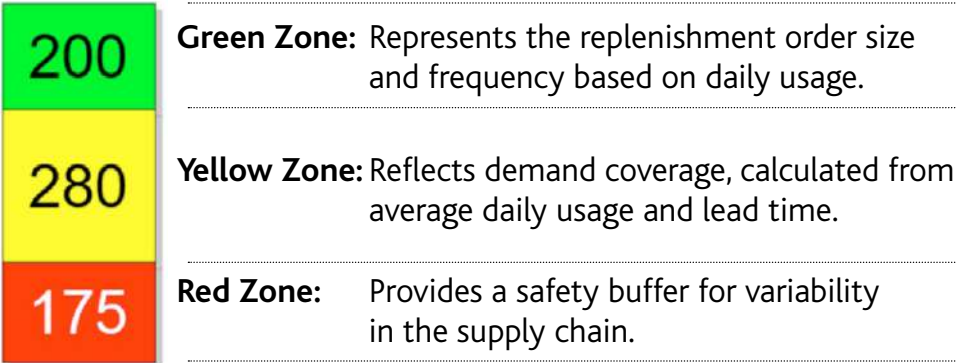


Why does your car never run out of fuel, but your business constantly faces SKU shortages?

In your car, the fuel gauge tells you when to refill. If the gauge is green, you're good for daily trips. Yellow means a top-up is wise for longer journeys, and red signals an urgent need to refuel. This kind of visibility keeps your car running smoothly.

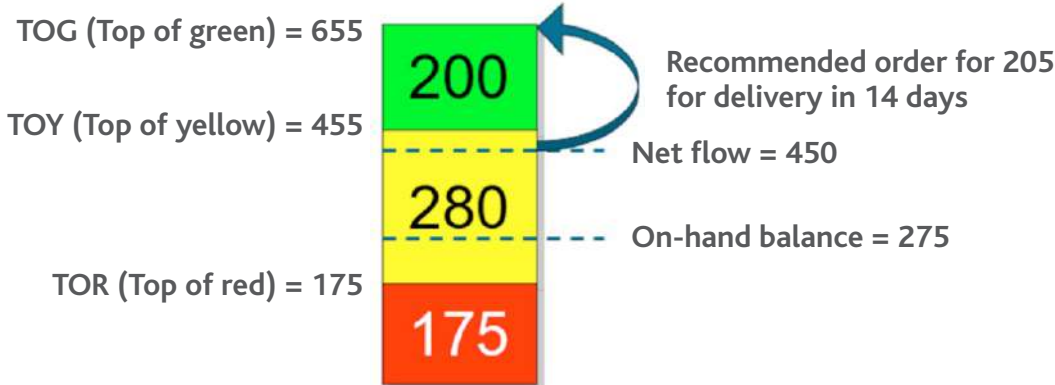
Now, imagine applying this concept to your inventory. With the Demand Driven MRP Methodology, you get real-time visibility of all your SKUs, helping you avoid stockouts.

Here's how it works ...



For example, if a SKU has an average daily usage (ADU) of 20, a lead time of 14 days, and a minimum order quantity (MOQ) of 200 ...

- Green Zone: MOQ of 200
- Yellow Zone: $14 \times 20 = 280$
- Red Zone: Adjusted for variability, e.g. 175



The secret is **continuous visibility!**

Reordering is based on Net Flow (NF) ...

Net Flow = Current On-hand + On order – Qualified demand.

If you have 275 on-hand, 200 on order, and 25 in demand, your Net Flow is 450.

This puts you in the Yellow Zone, prompting a reorder to ensure NetFlow stays in the Green Zone.

The stock, or on-hand inventory, should ideally hover around the lower half of the Yellow Zone.

With Demand Driven Technologies' IntuiFlow software, we automate this process, giving you daily updates and priorities for replenishment.



Contact us and see how you can gain benefits such as improved service levels, right sized inventory and reduced lead times.

Ken Titmuss
 ken@demanddriven.co.za
 083 700 4354



Image: D. Vinothakan, www.linkedin.com/



Key differences between types of WMS software

There are four primary types of warehouse management systems ...

- **Standalone systems** – These are dedicated on-premise warehouse management systems that are not integrated with other supply chain functions. They are Ideal for small to medium-sized businesses that need basic warehouse functionalities without extensive supply chain integration.
- **Supply chain modules** – This is a WMS module that focuses on warehouse operations as part of a larger supply chain management software system that manages all activities required to create and deliver a product.

Free S&R subscription



- **Enterprise Resource Planning (ERP) modules** – ERP software is a powerful tool where the WMS is integrated into a broader software system encompassing almost all aspects of your business. An ERP System includes the warehouse management system features discussed and rolls them into a package combining things like supply chain planning, accounting, customer relationship management, human resources and more.
- **Cloud-based systems** – These systems are hosted on the cloud and accessed via the internet. A cloud-based warehouse management system can supply the same benefits of a more traditional WMS, while also providing faster implementation and lower total cost of ownership.

BIN SALES AND PALLET SALES

Contact: Johan or Janine
salesteam@masterjack.co.za

082 374 6903



MASTER JACK

Lifting Equipment • Pallets • Bins

Since 1989

PALLET JACK SALES

Contact: Brendan
internalsales@masterjack.co.za

www.MASTERJACK.co.za

Wheelie Bin-120L, 240L, 360L



Mobile Bin-660L & 1100L



Pallet Bin – Solid or Perforated



- 500kg or 1000kg
- Lids, Castors,
And Outlet Valves
are optional extras

Pallet Jacks

- 2000 to 5000kg
- 1200 x 685mm
- 1500 x 685mm
- 1800 x 685mm



Semi-Electric Stacker 1500kg

- Lifts up to 2500mm-3500mm
- Forkover or
Wide Straddle
- Electric Lift
- Manual
Push/Pull



Pharmaceutical Hygienic Pallet



1200mm x 1000mm x
150mm

Freezer Spacers



1219mm x 1016mm x
35mm



We offer:

- Sales
- Service
- Parts
- Pre-owned
- Long & short term rentals
- Battery & energy storage solutions

FORKLIFT LEADERS AND WAREHOUSING SPECIALISTS.

World-class, industry-leading forklift brands are available at competitive prices with quality guaranteed.

Goscor Lift Trucks, the first ISO and OHSAS accredited forklift company in South Africa, have established a powerful reputation of being one of the largest suppliers of forklifts and materials handling solutions to the Southern African market today.

GOSCOR
LIFT TRUCKS

Contact us today!

Branches in JHB | DBN | PMB | RBAY | NLP | BFN | CPT | EL | PE | GRJ
010 594 4339 | liftrucks@goscor.co.za | goscorliftrucks.co.za





Image by macrovector on Freepik

What is the best WMS for my business?

This depends on your specific business and the options potential vendors provide. Choosing the best WMS vendor for you means choosing a warehouse management system that solves the specific requirements you need to be fulfilled. According to Amit Levy, EVP of sales and strategy at Made4net, "Most of the reputable WMS vendors are going to be able to handle all of the basic functionality you need, and most likely they will enable you to improve how you're performing today. But many of these vendors will provide more functionality than you need and you may only use a portion of the available functionality."

Having a good understanding of your warehouse complexity is key as more complex facilities require more WMS functional breadth and depth to support your needs, while less complex operations often require less functional robustness. You don't want to overbuy or underbuy."

You'll also want to look for a vendor with a background in the supermarket industry. This will yield a better fit WMS to match your food distribution needs.

Free S&R subscription



experience the future of retail

ecommerce LIVE

12 SEPTEMBER 2024 | SANDTON CONVENTION CENTRE

Free ticket: Use **RetailGuest** as the invite code

Your value chain tech partner for efficient order fulfilment

For the highest performance in order fulfilment and maximum process flexibility.

knapp.com

KNAPP Logistic South Africa (Pty) Ltd
Long Point Building, 2nd Floor
Bradfield Drive
Magaliessig, Gauteng, 2067
South Africa
E-Mail: sales.za@knapp.com

KNAPP



Must-haves for a supermarket retail WMS

Real-time inventory management: Ensure accurate tracking of inventory both in-store and in the warehouse.

Seamless online integration: Sync inventory levels with online ordering platforms to prevent stockouts and avoid order substitutions or refunds.

Omnichannel order handling: Efficiently manage orders from various platforms, offering multiple fulfilment options for customers.

Scalability and flexibility: Easily incorporate new fulfilment facilities like in-store fulfilment centres and micro-fulfilment centres.

Comprehensive data visibility: Provide data at every touchpoint to enhance visibility and improve forecasting capabilities.

Automation and robotics Integration: Support the integration of automation and robotic technology to streamline processes and improve employee training and retention.

Rapid fulfilment capabilities: Meet consumer expectations for next day or same-day fulfilment, often within mere hours.

Expirable goods management: Track and manage the shelf life of products, ensuring compliance with stock rotation requirements and minimising waste.

Real-time traceability: Maintain the ability to quickly trace and manage inventory in case of recalls, ensuring consumer safety.

Warehouse management system implementation tips

Once you've selected the best system, you must turn your attention to execution. enVista explains that warehouse management system implementation requires planning and proper expectations. You need to know the timeline and must consider the internal shareholders responsible for seeing it through.

There are other serious dos and don'ts of WMS implementation you must keep in mind in order to efficiently manage the scope of the project such as budgeting for testing and training. Again, one size does not fit all when it comes to WMS implementation.

Image: <https://envistacorp.com/>



Steps in planning for a WMS implementation ...

- Set expectations for the project
- Consider who will 'own' the WMS
- Plan your WMS implementation timeline
- Get your IT team involved in your WMS project early on
- Determine your requirements before starting the vendor selection process
- Avoid modifications to control project costs
- Incorporate testing, training, and go-live elements into your project budget
- Manage project scope instead of forcing shortcuts



Image: <https://marsner.com/>

Conclusion

The lingering effects of inflation, ongoing e-commerce growth and the resurgence of in-store shopping are significantly impacting today's supermarkets. To stay competitive and meet customer expectations, retailers are increasingly turning to technology and automation.

Many grocers worldwide have adopted warehouse management systems (WMS) to streamline their operations. A WMS helps supermarket retailers by managing inventory more effectively, reducing operational costs, enhancing customer satisfaction and adapting to changing demands and regulations. This adoption enables supermarkets to innovate continuously, offering a seamless shopping experience both online and in-store. **SR**

A COMPLETE WAREHOUSE MANAGEMENT SYSTEM

With the right WMS, Planning & Implementation, its possible to see immediate results in efficiency

50%
Store lead times
down by

45%
Picking accuracy
increased



Your Warehouse, Managed.

ADOR is one of the Leading logistics & WMS Providers in South Africa with a creative thinking team, implementing leading technologies to help you effectively manage your supply chain.

INCREASE WAREHOUSE EFFICIENCY

Speeds up the flow of goods and information to enable flawless execution across inventory, labour, and space.

Providing the Tools to enable your Warehouse to work smarter and grow faster.

REQUEST A DEMO



Connect your favorite apps and web services to save time and do more with your Warehouse Operations.

With the latest update and feature releases which include Xero Accounting Integration, Shopify & WooCommerce Intergration and much more, ADOR Information Technology (Pty) Ltd is looking to become the Industry leaders & pioneers within the Warehouse Logistics, Management & Solutions providers.

SA's Top WMS Solutions Provider

Visit us at
ADOR.CO.ZA

