

Is Your 3PL Ready for Your Growth?

“We learned the hard way what can happen when you don't have a good fulfillment partner.

**Bergen
Logistics**



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“We learned the hard way what can happen when you don't have a good fulfillment partner. Since making the switch to Bergen, our team has been able to focus on the important tasks that will help our business grow and our customer satisfaction has significantly improved thanks to their timely fulfillment. We could not have found a better home!

-Diana Ganz, The Groomsman Suit

The time is now!

Change isn't easy, but neither is watching your business suffer due to poor operations.

Where some 3PLs simply store and ship your products, others have a wider range of capabilities in their packaging and technological services. Having the right tools can help operations run more smoothly, costs go down and produce a higher satisfaction rate with your clients.

Is your current 3PL partner meeting your needs, SLAs and scaling your brand? If not, it's time to consider switching partners.



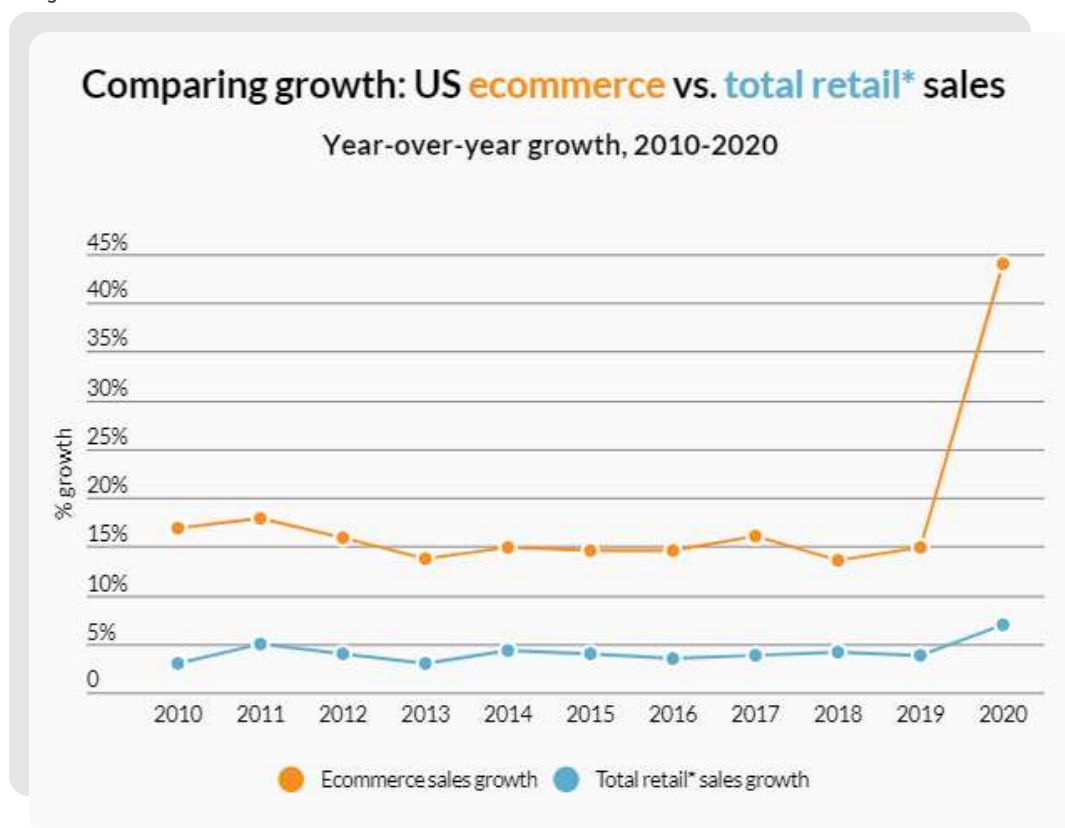
“I Want a 3PL That is Fast, Efficient and Delivers on SLAs

Ecommerce was on the rise long before COVID-19 struck in 2020, but the pandemic did accelerate projected changes in shopper behavior.

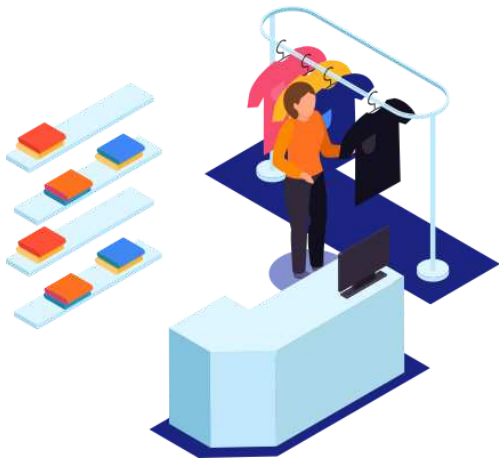
This isn't the end of brick-and-mortar retail. Physical stores persisted through the pandemic, and even remain a preferred way to shop for consumers.

According to a McKinsey analysis, the United States alone had seen an approximated 10 year growth of ecommerce in just 90 days in 2020.

Fig. 1



Are your orders being filled through multiple channels? Is your 3PL equipped for omnichannel fulfillment? If not, you could be losing out to your competitors.



The best 3PL will know the ins and outs of omnichannel fulfillment. Whether you're a wholesale, ecommerce or retail brand, your 3PL should have the capabilities to manage your growth, help you expand to other types of fulfillment channels and meet consumer demands as the industry continues to change.

If COVID-19 has taught anything, it's to anticipate the unexpected. In 2020, Lord and Taylor closed its doors, with many other retailers like DSW, Century 21 and Brooks Brothers (to name a few) shutting down locations across the U.S.

However, ecommerce stores like Farfetch didn't succumb to the fast changes in the industry, but adapted to consumer needs and were even successful.

Fig. 2

[Farfetch] revenue increased by \$157.9 million year-over-year from \$382.2 million in fourth quarter 2019 to \$540.1 million in fourth quarter 2020, representing growth of 41.3%.

So how did they do it?

By meeting consumers where they were at, home or in the car. Products were made easily accessible with in-store pick up, online shopping and 2-day shipping.

To optimize your business, you should be selling products through different channels. You should also be partnered with a 3PL who can fulfill orders accurately and quickly, while giving you insight to inventory levels and consumer behaviors.

Fig. 3

According to Statista, the market for ecommerce fashion has been growing annually, and is expected to grow further at 11.4% per year and reach a total market size of \$1003.5 billion by the end of 2025.



“I Want a 3PL that Helps Me Scale

We are in the ecommerce age. Your 3PL should have all the necessary tools to integrate with your platforms to optimize visibility and scalability. Automation, WMS and OMS are key components that a fully operational, expert 3PL should have. How does your 3PL measure up?

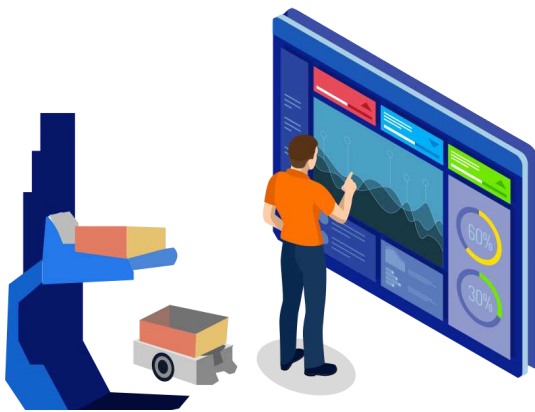


Fig. 4

AI revenue forecasted to reach almost \$126 billion in 2025

Automation

Automation can greatly improve efficiency in order fulfillment by reducing time, costs and error, which ultimately lead to greater output.

Using robotics in picking and packing is becoming the new norm. Not only does it improve operations, but reduces costs and high turnover rates of employees, and lowers the risk of not meeting SLAs.

If your 3PL hasn't implemented robotics yet, your business might not be scaling at its optimal rate.

“

The prevailing sensibility in the market these days is that fulfillment work is no longer suitable for human beings. The work which is physically demanding and mentally tedious is perfectly suited to robots and now that the technology enables it, everyone is searching for automated solutions.

- Ilan Cohen, CEO, Caja Robotics

Can your 3pl handle your amount of SKUs?

Your 3PL should be able to track your stock keeping units (SKUs) easily. If they're finding it hard to keep up with your SKU amount, messing up orders and failing to accurately account for inventory or messing up orders, you may want to reconsider your partnership.

They should also be fully equipped with proprietary technology to monitor inventory and adjust stock levels according to consumer demands. Stock levels should be completely visible to you as the client so you're fully aware of which products are being sold most.

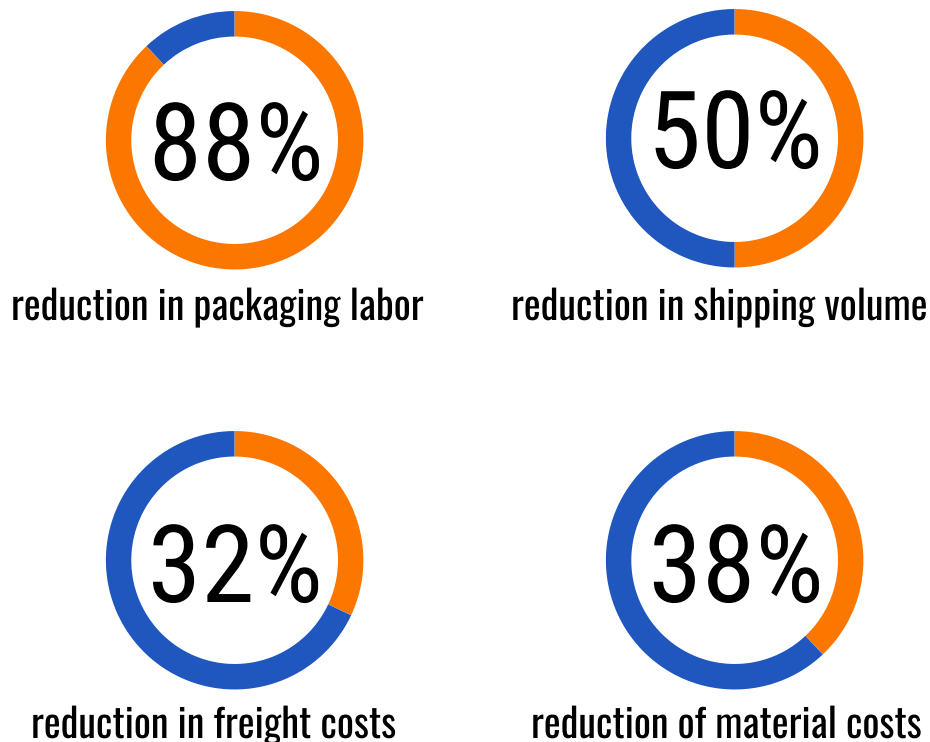
“I Need a 3PL that is Fast, Efficient and Delivers on SLAs

In addition to picking and packing robotics, your 3PL should be using automated tools like the CVP automated packer. This machine quickly creates fit-to-size boxes for various types of orders.

Why is this necessary? Well, not only does this create a better unboxing experience for your customer, but reduces waste and the need for fillers! Ultimately, it saves money on shipping due to smaller package sizes, and reducing waste helps our environment. #sustainability

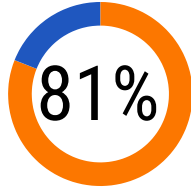
Accurate picking and packing means accurate order fulfillment, which increase the rate of a repeat buyer.

Fig. 5

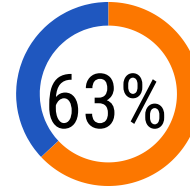


“I Want My 3PL to Do Customization and Cater to My Brand's Needs

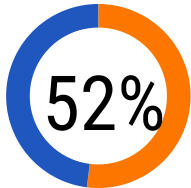
Fig. 6



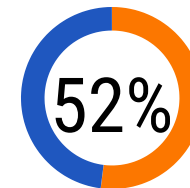
of consumers tried something new because the product packaging caught their eye



of consumers have purchased a product again because of the appearance of its packaging



of customers are more likely to make repeat purchases from an online retailer that delivers premium packaging



of consumers have changed brands because of new packaging

Custom packaging is what makes your brand unique.

Speaking of appropriate sized boxes, does your 3PL help you stand out? Your 3PL should cater to your brand with packaging that sets you apart.

Appearance matters, as it affects how a customer views your brand and their likelihood to reorder. We're not being shallow, these are the facts!

If you're operating strictly in the ecommerce realm, the unboxing experience is **KEY** when it comes to the probability of a customer reordering from you. Be sure your 3PL offers customization options including (but not limited to) branded packaging, tissue paper, scents, tapes and inserts.



How you sell matters. What your process is matters. But how your customers feel when they engage with you matters more.

-Tiffani Bova, Global Customer Growth and Innovation Evangelist at **Salesforce**

“I Want a 3PL with Seamless Integrations

WMS

Warehouse management system (WMS) is a tool that helps automate inventory management, picking and packing, shipping and order tracking. As a web- or cloud-based software, it can streamline the flow of information by seamlessly integrating with ecommerce stores. WMS systems may also offer real-time tracking and increased transparency for both 3PL clients and the end customer.

Communication and transparency

WMS offers real-time tracking of the life cycle of a product. This gives tremendous transparency and improved communication between 3PLs and their clients. With this technology, clients can see where their customers' orders are in the fulfillment process, can ask more relevant questions, better understand the life cycle and be informed of any issues. End customers could also be updated on their order's location and when to expect its arrival.

Forecasting

High-tech 3PLs collect data over time to forecast information, aiding the client in choosing the best distribution strategy. Forecasting can help save money, time and warehouse space, while better meeting end customers' needs. For example, if a client sells more handbags in California and more shoes in New Jersey, it would be beneficial to split the inventory across warehouses. While the client remains in control over their choice of inventory, 3PLs can offer insights on which inventory fits within a warehouse and how it sells to help make an informed decision.



- EDI and API technology enables the packing process to begin right when an order is placed
- Barcode scanning allows for 100% packing accuracy and saves 3 minutes per order ^{Fig. 7}
- Integrate with a variety of shipping carries simultaneously

The Right Fulfillment Center will Grow Your Brand

Has automated processes

The right 3PL should enable a substantial amount of business growth through their fulfillment operations. By allowing a 3PL to take over order fulfillment, you can focus on your product and the in-store shopping experience (as needed).

Saves you money

Your business will also save money in the short- and long-term, and your logistics processes will run more smoothly and efficiently. Moreover, you'll have full control over your inventory, all while keeping your customers satisfied.

Sets you up to scale

Leading 3PLs may operate internationally. When your business is ready to take that step, a 3PL can provide cost-effective processes, as they are familiar with the rules and regulations of international shipments.



We hope the information in this white paper will help you understand what to look for in a 3PL to optimize order fulfillment. If you feel stuck with your current partner, don't worry! A 3PL with the right tools will help you transition smoothly to their facility and integrate with their platforms.

Bergen Logistics is no stranger to rescuing retail brands from poor partnerships. If you'd like to read more about our client's success, check out our case study with The Groomsman Suit.

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Bergen Logistics is a leader in global order fulfillment. With over 20 years of industry experience, Bergen offers exceptional customer service and continues to update processes to help our clients scale. To learn more about us, visit bergenlogistics.com.

Are you ready to grow with Bergen? Please contact sales@bergenlogistics.com.

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Since Day 1, Bergen Logistics has been an amazing partner to 3.1 Phillip Lim. We have worked with Bergen Logistics since our inception, and they have proven to be incredibly supportive, responsive, and agile; scaling up alongside our company as we have expanded. They have been there for us every step of the way, and we could not have asked for a better logistics partner to share in our success.

-3.1 Phillip Lim

