

Honing Multichannel Ecommerce Fulfillment Operations to Manage Hypergrowth



Blue Sky Distribution is a distributor of grocery and tobacco products serving New Mexico and the Western U.S. With NetSuite ERP at the hub of its multichannel business, Blue Sky integrated Descartes' cloud-based WMS software for mobile barcode-based picking and packing, its ecommerce shipping solution, and delivery management with electronic proof of delivery. The distributor achieved 100% order accuracy, 80% increased fulfillment efficiency, cost-effective shipping with automated rate shopping, and more efficient last mile delivery operations.

"The Descartes software ecosystem is the perfect harmony of technology. The value to our business has been stupendous, from remarkable efficiency and productivity gains in the warehouse and on the road to increased order accuracy and visibility and an enhanced customer experience."

Robert Poole Jr.

CEO & President, Blue Sky Distribution

Company Profile

Blue Sky Distribution
Grocery and Tobacco Distributor

Descartes Solution

Descartes OzLink™ Mobile Warehouse (OMW)
Descartes ShipRush™
Descartes Route Planner™

About the Client

Based in Albuquerque, NM, Blue Sky Distribution is a family-owned-and-operated grocery and tobacco distributor, providing a wide range of products—food and beverage, tobacco, accessories, convenience items, and more—to businesses and consumers across New Mexico and the Western U.S. since 2008.

Quick Overview

Challenge

Manual Processes Impede
Ecommerce Operations

Solution

Managing Demand with Optimized
Ecommerce Fulfillment

Results

- 100% Order Accuracy
- 80% Increased Fulfillment Efficiency
- Optimized Delivery Performance
- Enhanced Customer Service

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Challenge: Manual Processes Impede Ecommerce Operations

Blue Sky is a distributor in the FMCG industry, serving big-box corporate grocery stores (e.g., Walmart, Target, CVS), convenience stores, independent businesses such as tribal smoke shops and mom-and-pop gift shops, and other Western U.S. distributors through warehouses in Albuquerque, NM and Las Vegas, NV using its own fleet of delivery trucks. Blue Sky's outdated order fulfillment practices—including time-consuming manual, paper-based processes and a legacy ERP system—were unable to keep pace with explosive demand for 3,500+ products, especially during peak season. In addition, the distributor lacked visibility into the warehouse, hindering ecommerce operations including inventory control, returns management, and accurate forecasting.

Solution: Managing Demand with Optimized Ecommerce Fulfillment

In response to escalating customer demand, Blue Sky implemented the cloud-based Descartes OzLink™ Mobile Warehouse (OMW), Descartes ShipRush™ and Descartes Route Planner™ On-demand solutions to automate and streamline ecommerce fulfillment from inception to delivery. Fully integrated with NetSuite, the Descartes solutions helped transform Blue Sky's fulfillment operations.

Leveraging mobile handheld scanners with the WMS software, Blue Sky automated and accelerated multi-order picking and labeling processes to heighten efficiency and accuracy, improve inventory control, and provide actionable data to inform forecasting and commission-driven retention programs.

"Picking is night and day since implementing Descartes. The barcode-based solution leads you, like a trail of breadcrumbs, through the warehouse on the most efficient path. With UPC scanning, we've seen a huge drop in mispicks and fulfillment time," said Robert Poole Jr., Blue Sky's CEO and President. "Plus, NetSuite integration gives us real-time inventory; we're able to display committed versus available stock on our website, which has a significant impact on the customer experience."

In the past, Blue Sky had to handwrite order labels. With Descartes, the company is able to differentiate orders packed in identical branded totes using labels—complete with sales order details and box count—automatically printed on the warehouse floor. "It's been amazing for our warehouse team," said Poole.

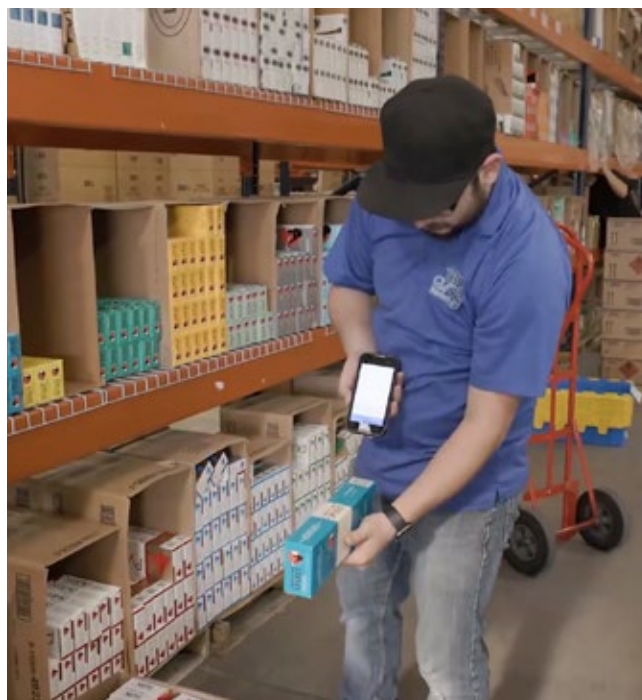


With Descartes ShipRush, Blue Sky accelerated and simplified parcel shipping. “We’ve seen huge efficiency improvements, especially for our tobacco business. Since tobacco is shipped out of state via UPS in industry-standard boxes, the attributes for our outbound boxes are predetermined in the system,” said Poole. “We’re able to load the boxes and generate a label right there on the floor. With no more wasted steps back and forth, customers get their orders in a more timely manner.”

Historically, Blue Sky planned routes and assigned drivers on paper, relying on Google Maps. Now, Blue Sky has route planning optimization to automatically determine the most efficient routes in line with customer delivery requirements. The solution dispatches, routes and tracks progress in real-time; notifies customers of pending deliveries; and captures critical proof-of-delivery (POD) information electronically.

“The only way we can get paid by corporate grocery stores is by having POD. We use the camera on the mobile device to take a photo of the receiver sticker or document, as well as a digital signature, which all attaches itself to the transaction in NetSuite,” explained Poole. “Instead of digging through stacks of paper, we’re able to easily find the transaction and proof of delivery.”

He added, “And because grocery stores have different departments, we’re able to put multiple invoices—which is a requirement for many stores—onto one delivery route using Descartes. It’s been a big benefit to the company.”



Results:



100% Order Accuracy

Seamless integrated with NetSuite, the Descartes solution reduced picking and labeling errors through barcode scanning and order validation, while access to real-time inventory data increased warehouse visibility and strengthened inventory control.



Optimized Delivery Performance

Using Descartes’ route planning solution, Blue Sky can optimize route plans, increase delivery capacity, and track trucks and drivers in real-time to increase last mile efficiency and visibility. Electronic POD ensures the right goods get to the right customer.



80% Increased Fulfillment Efficiency

By replacing manual picking, labeling, and returns management processes with mobile handheld scanners, the scalable Descartes solution enabled Blue Sky to easily manage increasing volumes and peak season spikes.



Enhanced Customer Service

Blue Sky increased customer responsiveness through optimized route planning, real-time order tracking with status updates, and mobile POD. Barcode-based scanning increased fulfillment speed and accuracy to ensure customers get the right product on time.