

5 Catalysts to Outsource Logistics



Today's consumer-driven retail strategies are making it more difficult than ever to run an efficient, cost-effective supply chain. Consider the following five challenges that supply chain leaders will have to overcome in order to be effective in coming years – and why these challenges are acting as catalysts to engage with third-party logistics providers for supply chain expertise.

1. Technology Advancements

CHALLENGE:

When asked to identify where investments will be made during the next year, **49% of supply chain professionals answered "software and technology."**

Without the proper expertise, systems implementations run the risk of being costly and inefficient.

FIX:

Optimize your technology investment while mitigating a costly risk by relying on a partner with implementation and execution expertise.

Capitalize on proven best practices while building your customized solution.



EXAMPLE:

With more than 40 successful Tier-1 Warehouse Management System implementations, GENCO has the experience to install and operate complex systems smoothly, while tailoring each to your needs.



2. SKU Proliferation

CHALLENGE:

Consumers expect more product variety – One large global retailer expects to double the SKU count of online inventory in the next year alone.

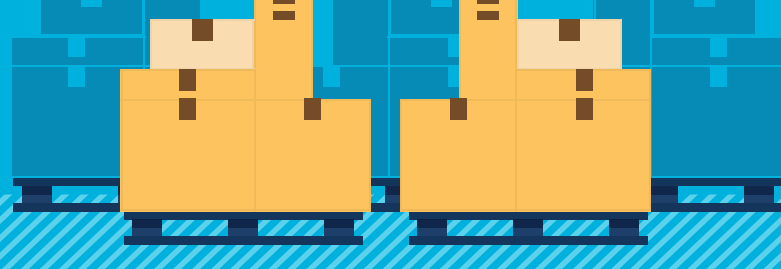
FIX:

Make visibility to inventory across every channel a priority. Combine reverse logistics and liquidation to turn overstock or returned items quickly while maximizing value.



EXAMPLE:

Tier-1 technology enables tracking and visibility to all SKUs throughout the Product Lifecycle. For returned and overstock items, a diverse buyer base allows GENCO Marketplace to liquidate \$2.5 billion of products annually.



3. Labor Shortage

CHALLENGE:

In a recent study, **44% of organizations named "finding qualified/skilled workers"** as their top distribution operations issue

FIX:

Many 3PL providers have proven processes to recruit, promote and retain qualified supply chain professionals.



EXAMPLE:

GENCO works with a broad range of local agency partners during peak and non-peak seasons to staff and retain more than **11,000 teammates throughout the U.S. and Canada.**

4. Omni-Channel Returns

CHALLENGE:

Up to 30% of online purchases are returned

FIX:

Shorten the reverse cycle, facilitate faster recovery and recoup **15%-30% higher recovery value with a strategic 3PL partner.**



EXAMPLE:

With more than 400 million returned items processed annually, GENCO has the system and operational expertise to identify effective reverse logistics strategies.



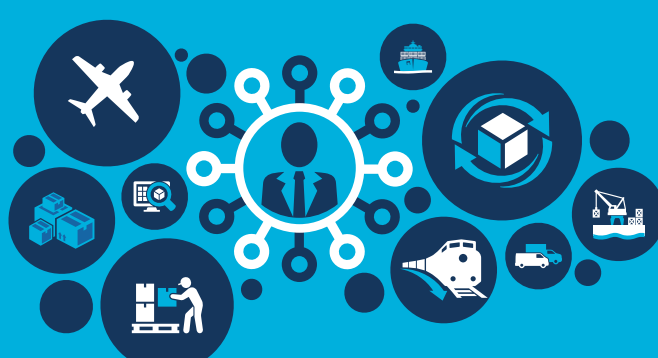
5. Inorganic Growth

CHALLENGE:

Mergers and acquisitions in some industries have increased by 15.8% in the last 5 years – integrating supply chain networks is often inefficient or costly.

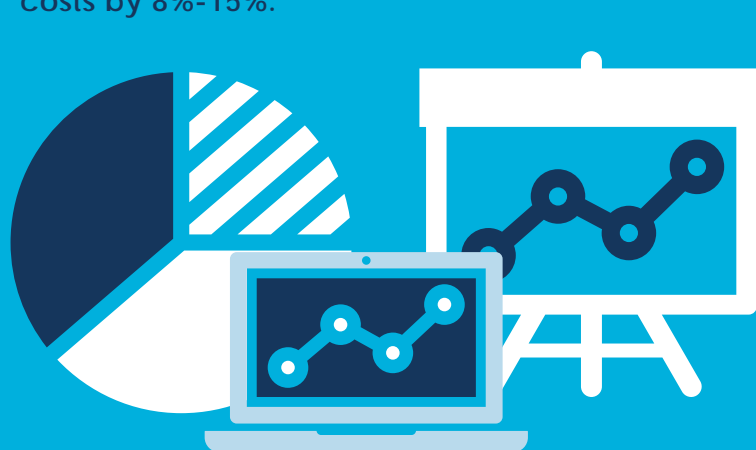
FIX:

Build a better network by performing a detailed analysis of your current footprint and transportation; Benchmark labor and real estate costs against the industry; Evaluate and execute the most effective solution.



EXAMPLE:

Having executed hundreds of Network Analysis studies, GENCO has proven that adjusting based on results has the potential to **decrease supply chain costs by 8%-15%.**



Every company has an area of expertise – whether it's apparel retail, industrial manufacturing, pharmaceutical distribution, etc. By partnering with a 3PL provider, you can increase your bandwidth to focus on your company's most important function, while maintaining business visibility and achieving customer service objectives. **If you're interested in learning more about how GENCO can enable your businesses' growth, contact us today.**

