SUPPLY CHAIN MANAGEMENT AND E-COMMERCE
FOR END-CONSUMER-ORIENTED INDUSTRIES
Arvato Supply Chain Solutions is the leading international provider of order-to-cash solutions for end-customer-oriented industries. Working across 85 locations in 20 countries, we develop innovative, customized solutions in the areas of supply chain management and e-commerce for our customers.

Many strong, renowned companies depend on Arvato. For our over 15,000 employees this is both a daily challenge and a source of motivation, because our shared vision is to become the international supply chain management company with the strongest focus on the customer and greatest IT expertise.

We help our customers to develop their business, grow their brand and thus take it to the next level. Our passion for managing and transforming complex processes throughout the supply chain, our well-developed market knowledge and our IT expertise form the basis for our success and that of our customers.

Frank Schirrmieister
CEO Arvato Supply Chain Solutions
We believe that only those who understand market and customer requirements can develop solutions. We are therefore organized based on sectors. Our managers and their teams are true experts in their areas. They have excellent knowledge of the markets, their particularities and their challenges, plus they contribute experience acquired from hundreds of customer projects over the years.

Our customers include world market leaders, DAX companies and well-known brands as well as young start-ups and expanding medium-sized enterprises that we help with the evolution and internationalization of their business models. Over 500 customers trust us because they know that when they hire us, we get the job done, deliver high quality and a brand experience that creates customer satisfaction every step of the way.

Over 100 years of expertise in their sectors*

More than 500 satisfied customers

Over 2,000 completed projects

*Together, our management team members have over 100 years of expertise in their sectors.
The awareness that every customer is important and that it is our job to create customer satisfaction and an enduring brand experience is deeply rooted in our DNA as a service provider. Since we are close to our customers, it is easier for us to develop tailored solutions for them and their end-customers.

In everything we do, we think multi-dimensionally: in traditional logistics and transport solutions as well as in digital distribution models, complex order-to-cash strategies or virtual concepts for the point of sale.

We place a special emphasis on aspects like global availability, realization of omnichannel concepts, smart IT solutions, comprehensive data analysis and the integration of innovative technologies.

We stand for stability, continuity and an international approach. With 85 locations in over 20 countries, Arvato Supply Chain Solutions is at home around the world. We are part of Arvato, a leading international service provider with over 30,000 employees worldwide. As a 100-percent subsidiary of Bertelsmann, we can look back at a 180-year history. In 2018, Arvato had 1.7 billion euros worth of sales.
100 million shipments and returns

15,000 employees

85 locations

200 country-specific online shops

€ 1.7 billion revenue in 2018

>20 countries
Focus on the customer

Customer satisfaction, or ideally enthusiasm, is usually generated at the point of sale or where touchpoints with the customer are created and products are used. We are specialists in end-customer-oriented industries due to our many years working in these sectors.

We understand our customers, their customers and needs. We believe that business models, supply chain solutions or e-commerce models that focus on the best possible fulfillment of customer needs and create a customer experience are the ones that will succeed.

Our solutions are efficient, integrated, scalable and flexible. But above all, they are customer-focused. In this way, we create long-term customer satisfaction and loyalty. Thus we not only ensure that your product is delivered well, but we also help you grow and transform your business.
We work around the world to develop integrated solutions for our customers and their customers.

Solutions that guarantee a positive shopping experience from ordering to payment to delivery.

We have the passion and ability to reliably manage complex processes ourselves. You can thus serve your customers as well as possible in every situation, even in the hospital.

Discover our options for you.

https://arva.to/supplychain-video
Supply Chain Management

- Distribution Network Design
- B2B Distribution
- B2C Distribution
- Omnichannel
- Inventory Management
- Quality Management
- Customs & Trade
- Compliance

Our solutions

Arvato Supply Chain Solutions offers you much more than just traditional supply chain management and e-commerce.
Our focus is on end-customer-oriented sectors like fashion, high-tech and entertainment, healthcare, telecommunications, automotive, banks and insurances, consumer goods and publishing. We develop solutions throughout the order-to-cash cycle for every sector.
Our portfolio is very diverse. In addition to traditional logistics services like warehousing, order picking, transportation management and comprehensive value-added services, we develop and manage complex global supply chains, e-commerce and IT platforms or omnichannel solutions. This is where the most recent IT solutions and technologies come to the fore.
Our service components are constructed modularly. We can develop customized solutions from them to suit your requirements.
Transport Management
- Transport Network Design
- Carrier Management
- Transport Management System
- Realtime Tracking

Order-to-Cash Management
- Order Management
- Multi Language Customer Service
- Master Data Management
- Collections
- Invoicing
- Payment Management
- Risk Management
- Fraud Management
- Account Receivables

E-Commerce
- Digital Strategy & Consulting
- Online Platform Development
- Design & User Experience (UX)
- Loyalty Management
- Digital POS Management

Information Technology
- Client Integration
- System Scalability
- Reporting & Data Analytics
- IT Architecture
- Robotic Process Automation
Supply Chain Management

As a comprehensive order-to-cash service provider, we not only provide traditional logistic services such as order picking, packaging and transport management; we also provide solutions in the field of order management, including front-end development, customer support, returns management and payment. On the basis of our integrated IT structures, data and processes can be managed centrally, thereby boosting business activities. Through the use of innovative analysis tools, Arvato can create forecast models, estimate demand and return volumes, and gain comprehensive insights about customers. In this way we help you transform your business to digital and provide lean IT-driven solutions that will drive your business forward in the years ahead.

We develop efficient solutions for each customer based on individual requirements, and we create added value for our customers with the help of our profound industry expertise. Through our global network of warehouses and distribution centers, our customers achieve savings and can quickly expand into new markets.

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MORE ONLINE
Digitizing the Supply Chain

Today, the increasing demands with respect to transparency, delivery capacity and quality as well as the desire for individualized products, services and added value require innovative digital solutions for logistics and fulfillment — Supply Chain 4.0 is transparent, integrated, scalable and flexible from procurement to billing. At the same time, the digital connectedness of all participants and processes opens up new opportunities and fields of work. Companies with an innovative strategy in digital supply chain management can respond 25 percent faster to changes in market demand and achieve up to 110 percent higher margins.

As a supply chain company with a high level of IT expertise, Arvato Supply Solutions has been quick to initiate the transformation from traditional physical to digital value chains and has defined the topic of digitization as a forward strategy. As a digital change agent, we manage data along the entire supply chain on behalf of the customer, analyze it with the appropriate business intelligence tools and take appropriate action.

“By building up this high-performance network, we have set a benchmark unparalleled in the rest of the sector.”
Frank Schirrmeister,
CEO Arvato Supply Chain Solutions

In 2017, Arvato set up three distribution centers on two continents in just six months for a global player in the high-tech industry, with a total area of 150,000 square meters, all with identical infrastructure and exactly the same IT system. A challenge that also shows what Arvato is capable of achieving.

Network Design

Rapid market access and efficient processes through optimal network planning

Service level, costs, performance requirements — there are many moving parts in the supply chain. Using our in-house “Logistics Engineering” team of experts, you have the entire logistics network in sight, can simulate changes and precisely determine their effects on the overall system. With comprehensive expertise, Arvato experts support companies in selecting locations, planning logistical infrastructure and planning warehouses.

Omnichannel & Peak Management

Solutions for large volumes and multiple distribution channels

In addition to the innovative IT and the high-performance network, sophisticated yet integrative omnichannel solutions also help make our projects into an ideal showcase; thanks to our high-capacity, continuous IT system we are able to create solutions that are attractive for high-volume shippers in particular, who have to serve multiple distribution channels and customer groups, both online and offline, at the same time. This system also provides the option of intelligently linking forward and reverse logistics so that returns that haven’t been touched can be integrated back into the forward logistics. Thanks to intelligent, flexible systems, even seasonal peaks like Black Friday can be managed optimally. Incoming orders are analyzed, intelligently combined and processed further in the “control tower.” In recent years we have placed a heavy focus on the omnichannel topic. Today we profit from the expertise.

Download whitepaper here
The modern set-up of our warehouses and the optimal
design of process organization, supported by state-of-
the-art warehouse management systems, are the back-
bone of our high-performance warehouse solutions.
Our multi-faceted expertise in the sector allows us to
ensure correct intralogistics, tailored to your products
and your individual requirements.
We carry out both single- and multi-user solutions,
which can be scaled as needed if you expand.
With our solutions, we rely on a mix of automation and
manual value creation. With this approach, we create
structures that can meet even an unexpected increase
in volume.
Through the integration of value added services and
additional services along the order-to-cash cycle such
as order processing or payment management, we can
offer end-to-end fulfillment matched by no other
supply chain service provider.

arva.to/logisticsfulfillment
Automation

More efficiency through robot-guided processes

The automation of sites through the increased use of machines and intelligent systems is of high priority at Arvato. Where they make sense, we integrate innovative automation technologies into logistics processes by using software that has a wide-ranging interface capacity. Such fully integrated solutions provide decision-makers with the information they need to more efficiently steer operations during daily business. Productivity increases because orders and routes are optimally coordinated and closely linked with associated processes. For this, we make use of various tools, including machine learning technology. Intelligent analysis of the datasets makes it possible to recognize previously unseen connections and to develop solutions that shape the overall flow of goods in a much more agile way that is less prone to disruptions. RPA technologies like modern goods-to-person systems, driverless transport systems or innovative pick-robotics solutions are a part of this, as are virtual/augmented reality, pick-by-vision, RFID or drones.

Pick-by-Vision

Everything in view

Order picking with smart glasses saves time and ensures a smooth flow of materials — from the moment goods are received until inventory is counted. “Pick by vision” becomes possible through a display integrated into the glasses which gives warehouse employees all the necessary context-related information and unfailingly navigates them through the work.

Bag sorters

Into the bag, get set, go

For C&A, a large, international fashion company, Arvato developed a new, ground-breaking concept for efficient order picking of hanging goods and flat goods, shoes and accessories. The result is the world’s largest bag sorter of this capacity, with scalability and the integrated functionality of a dynamic buffer. Up to 91,000 bags run in a fully automated way in the multi-level handling facility.

The up to 10,000 sorted items per hour can be expanded in the next step of growth to 15,000 items per hour. At peak times, more than 20,000 parcels are sent daily. Thanks to the bag sorter, it is possible to ready both marketing campaigns based on long-term planning and short-term campaigns for shipment to customers within 24 hours.
The last mile is becoming more and more essential to customer satisfaction. Besides speed, reliability and individual delivery options are of particular importance. Whether direct to retail, B2C logistics with cross-docking and linehaul management, or decentralized replenishment control in spare parts logistics – we offer the right transport solution for every scenario. Our proprietary Transport Management System, developed in-house, offers access to more than 100 carriers, which can be used flexibly depending on requirements.

A global EDI platform ensures fast integration, smooth data exchange, comprehensive track & trace, and thorough reports for efficient control of all processes and carriers. Integrated, automated invoice verification and balanced scorecards for selecting the perfect mix of carriers and services round off our powerful portfolio.
Dangerous goods shipment
License for carrying out IATA in-house dangerous goods air cargo trainings

The demand for air shipment of dangerous goods is growing, but only holders of a valid certificate may pick, pack and sign shipments. In order to be able to react quickly to customer inquiries, Arvato has received training authorization from the appropriate authorities. The result: With its own license, Arvato can now operate much more flexibly in terms of timing and, if necessary, even conduct training courses without a lead-in, in order to guarantee that trained personnel will be ready to go even in an emergency.

In order to stay up-to-date, trained employees must refresh their training every two years. Because it has its own license, Arvato does not depend on training providers but can itself hold the necessary trainings for its employees. This makes it possible to avoid expired authorizations and ensures ongoing readiness for work.

Clear view of the last mile

We help our customers by taking on the purchasing burden and making available to them a standardized platform on which transport service providers can be selected as desired based on specific requirements. Our service reduces complexity, because it comes from a single source and is in most cases also cost-optimized. In addition to pure processing, we of course also offer bundled billing and can in this way further significantly reduce the bureaucratic burden.

Using on-time-performance reporting, we show how well a transport service provider has worked. Currently, when analyzing this, we still refer to packages, i.e. a parcel or a pallet. In the future, we will be able to measure in a detailed way what percentage of the content was delivered on time. We thus obtain significantly more precise information about the supply chain than do the transport service providers themselves.

Through our transport networks, our customers can reach approximately 250 million consumers in Europe from a central inventory. That is many times more than what would normally be reached from a local warehouse, and it allows our customers to further optimize their inventories. The field of apparel in particular is characterized by very short product life cycles that don’t really permit a decentralized warehouse strategy, because the range of products is very quickly out of date. We are able to deliver shipments to customers and consumers within Europe within three days. By way of comparison, a shipment to Spain without express service takes five to six days for the integrators. For deliveries within three days, we have found a lower rate of returns and non-acceptance.
Order-to-Cash Management

Arvato Supply Chain Solutions provides order-to-cash management worldwide as part of its comprehensive supply chain and e-commerce solutions. With our centrally controlled systems, we cover the entire invoicing and payment process from invoice creation, risk assessment and security for creditor management and accounts receivable management, to reminders and debt collection. Multilingual customer service teams take on your customer communication: from receiving orders to managing returns to invoicing and debt collection. Our specially trained employees are also familiar with the international regulatory frameworks as well as national regulations and customs specifications.

Our order management systems record and analyze all customer data from all channels in real time. Thanks to our data management solutions, all data are always up to date and form a secure foundation for correct entrepreneurial decisions.

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Order Management

A step ahead of customer behavior

Order management is much more than recording and managing orders; omni-channel commerce creates new challenges throughout the entire sales process. In the daily process, however, master data like product/address data or prices change constantly. In order to prevent that, our experts keep their data up-to-date. We report pro-actively whenever inexplicable price differences, for example, or other anomalies occur. Early clarification of inconsistencies prevents complaints, returns or time-consuming bill corrections.

Order-to-Cash

Integrated and customized

Arvato has developed a full order-to-cash solution for 83 countries for a U.S.-based medical device manufacturer. The solution includes all services from order acceptance to logistics to payments and billing, as well as master data management and customer service in 13 languages on the basis of a global IT structure. Over 500 Arvato employees support this U.S.-based manufacturer of medical device products throughout the entire process chain. We ensure optimal product availability directly in the hospital, at the point of care: We record inventory at over 1,300 locations, analyze use, organize restocking orders or transfer of products about to expire. Here, we really make good use of our sector-specific expertise. A solution of ours that takes us right into the operating room is good evidence of this: Our experts manage the delivery on short notice of materials for surgeries.

Master Data Management

Acquire transparency, reduce sources of error

Correct data are of the essence, because only reports and analyses based on high-quality, correct master data can make possible well-founded decisions throughout the supply chain. In the daily process, however, master data like product/address data or prices change constantly. In order to prevent that, our experts keep their data up-to-date. We report pro-actively whenever inexplicable price differences, for example, or other anomalies occur. Early clarification of inconsistencies prevents complaints, returns or time-consuming bill corrections.

Smart financial solutions for more purchase completions and fewer non-payments

When goods are distributed, payments must generally be processed as well. The requirements vary depending on whether the transaction is national or international, B2C or B2B. There are also company- or sector-specific requirements. Our key added value is customizing, especially when it comes to adapting to our customers’ own processes. We have dedicated project managers who work closely together with our customers, primarily using a consulting approach, to link processes, systems, etc., with each other. In addition to book-keeping and payment processing, the financial services we offer also include fraud management for our customers in the B2C environment -- a service for identifying fraudulent intent in online end-customer orders.

We have been offering financial services for about 15 years in over 100 countries. We currently work worldwide with some 200 staff for about 100 customers with an annual transaction volume of about 15 million euros as well as payments of several billion euros.
Information Technology

As one of the world’s leading providers of supply chain and e-commerce services, we systematically use IT and technology to develop and deliver high-performance solutions. We rely on a central IT infrastructure that lets us integrate numerous different systems and individual applications into our platform. This reduces the number of interfaces and facilitates an efficient supply chain as well as seamless processes along the order-to-cash cycle.

Going beyond this, we combine modern reporting with in-depth analytics. In this way, our clients gain valuable insights that make it easier for them to plan, and help them better understand their own processes and the behavior of their customers.

We use leading automation technology to enhance productivity, increase speed, and reduce costs. From cloud-based applications to innovative pick-robotics solutions, to augmented reality – we find, design, and implement the right technology for our customers’ requirements.
The logistics service provider as the Google of the supply chain

Kurz nachgefragt bei Prof. Dr. Christian Kille, Professor für Handelslogistik und Operations Management an der Hochschule Würzburg-Schweinfurt.

Prof. Kille, digital supply chains increasingly focus on the end-customer. That means evaluating and interpreting big data is also becoming more and more important. In contrast to retail, to date manufacturers and OEMs have had very little access to the data about their end-customers. What problems arise from this and what opportunities do manufacturers have to become more independent?

“It can be the logistics service provider’s data that now allows manufacturers to gain insights into processes, preferences and challenges beyond their direct customers. The data is collected by different customers or even across the entire supply chain and analyzed. Of course, data security and the anonymity of the individual must be respected throughout — as in the case of other companies that collect data. The logistics service provider can become a “Google” of the supply chain because it can access a large volume of data that is processed in different IT systems.”

Client Integration
Integrated solutions for smooth processes

Arvato operates a global IT ecosystem. On the basis of an enterprise application integration (EAI) framework, we are able to connect different platforms, applications and systems of our customers and partners. We can thus depict all processes throughout the supply chain and the order-to-cash cycle. Depending on sector and customer needs, the optimal technologies and solutions can thus be used for every process. An infrastructure thus arises that is both centrally guided and scalable, but also flexible and adaptable to customers’ individual needs.

Reporting & Dara Analytics
Acquiring insights and using them profitably

Companies have more information available to them than ever before. Classifying this enormous amount of usable information correctly and generating implementable, value-creating insights from it holds enormous potential. As an end-to-end provider, Arvato can also gather data on the whole supply chain — from warehouse processes to payments to reverse logistics.

Uniform and interlocking IT solutions can compile information centrally, visualize it and combine it with external datasets, which makes possible a comprehensive overview of the data and thus a far-reaching analysis of business processes. In this way, inventory can be optimized, delivery bottlenecks prevented, the return rate reduced or better peak management depicted, for example for Black Friday. Analytics can also help us better understand purchasers’ behavior and preferences, and in doing so help our customers to offer personalized, customer-oriented offers and services. These include product recommendations specially tailored to each end-customer and offers or loyalty programs that are effective and relevant and contribute to greater customer loyalty.
E-Commerce

New technologies and channels are continually changing customers’ digital purchasing behavior. We make use of the newest technologies, innovative ideas and a comprehensive range of services to create high-quality online platforms that fulfill the needs and requirements of the user. This includes strategy consultation, developing web shops and online platforms, web design, user experience design, online marketing and customer loyalty programs.

In e-commerce, optimal success is achieved when a company is in a position to successfully integrate all components of the process chain across all channels. We offer excellent solutions for integrated e-commerce with our supply chain capabilities and our comprehensive order-to-cash portfolio. In doing so, we ensure that your client not only benefits from a front end that is optimized for the user, but also from seamless operations in subsequent processes along the supply chain.
Marketplace commerce

**Solution for Microsoft Learning**

Arvato has developed a global e-commerce platform for long-time customer Microsoft, including an e-reader app via which interactive e-book versions of Microsoft’s course materials are made available. The use of digital content is positively exploding: In just three years, Microsoft’s coursework business transformed from 100% print business into an exemplary digital business with 65% digital usage worldwide.

**Study 2018**

**Marketplaces for fashion brands**

The risk of customer cannibalization through integration of a marketplace cannot be confirmed. This is the result of current research by Arvato, which has, after the initial 2017 analysis of this topic, again analyzed the influence of marketplace integration on the core customer group in the brand shop.

Download marketplace study here

Digital Agency

**Front and back end linked efficiently**

In order to be able to best support customers in e-commerce, Arvato founded the digital agency Friends of C. This is a unique set-up in the market: Customers of Friends of C. can access our agency’s digital services and use Arvato e-commerce and fulfillment services. They thus benefit from integrated services along the entire value chain and from over-arching, end-to-end understanding, which represents a clear competitive advantage.

Download C&A case study here

www.friendsofc.com

E-commerce

**Multi-Channel Commerce for C&A**

Arvato Supply Chain Solutions supports C&A in e-commerce. In addition to customer service and financial services, we take care of all online-shop logistics for several European countries. Today, C&A has 1,575 branches in 21 countries and combines its own online shop with a branch location via multi-channel activities such as Click & Collect. Since the beginning of the collaboration between C&A and Arvato, the online shop has grown by annual growth in the two-digit range.

DisA

**Taking new directions: Augmented reality in the automobile workshop**

Arvato, together with engineering partner IAV, has developed a concept for the automobile after sales of the future. When service is needed, auto mechanics always face the challenge of offering an optimal customer experience and thus creating a basis for subsequent jobs. This is where DiSa, the “Digital Service Assistant” comes in, combining diagnostic and repair data with digital communication in the repair process and with the vehicle user. Modern digital tools and methods support the comprehensive service process, which covers everything from the initial warning signal to billing of completed services. To this end, augmented reality connects, for example, autonomous driving, vehicle networking and data from the service cloud. This connection makes it possible to see and experience augmented reality.
Where do we go next?

#ecommerce
#logistics
#supplychain