



CASE STUDY

SETTING NEW STANDARDS IN ONLINE DELIVERY SERVICE WITH BEST-OF-BREED-TECHNOLOGY



REWE Markt GmbH, with more than 3,000 REWE locations and 90,000 employees, ranks among the leading corporations in the German food retail business. REWE is not only a big player as a brick and mortar retailer, but it is also a leading online pioneer with the recent establishment of an online supermarket which offers delivery services. Since its opening in 2011, it has grown to reach roughly 40 percent of German households. Those customers are served from 30 locations that deliver to more than 75 cities and their suburban areas.

The challenge

"We strive to offer our customers supreme service, regardless whether it is on site at the supermarket or online" says Dr. Johannes Steegmann, Director of Marketing, Strategy and Ventures at REWE Digital GmbH. REWE delivery service offers a large selection of the products of the brick and mortar supermarkets. REWE's mission as well as its challenge is to get the merchandise to the customer's doorstep at peak quality and promptly within the requested delivery window.

The solution

To ensure and further improve customer satisfaction while growing and expanding service, REWE decided in 2015 to implement new software for planning the routes of their delivery vehicles. Its main objective is to optimize timely fulfillment within short delivery windows. For that purpose, the software must be able to consider real time components such as heavy traffic or varying idleness in its planning. The technology must be flexible to be customized to REWE's delivery service, specifically providing scalability as well as customization and interfacing with other systems.



Industry:

Online Delivery Service

FLS products:

FLS VISITOUR / FLS MOBILE

Requirements:

- Launching of a route planning system for the REWE Delivery Service
- Implementation of FLS MOBILE for real-time feedback of the delivery status
- Integration of the FLS VISITOUR appointment proposals and route planning in the web portal of the online shop
- Cost optimization in route planning
- High scalability without sacrificing performance

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The decisive factors for choosing FLS as their software partner were the flexibility of the FLS software solutions FLS VISITOUR and FLS MOBILE as well as the performance of their PowerOpt algorithm and their pricing.

Customer friendly delivery windows

Customers make their purchase at the Online-Shop or with the REWE delivery service app. Then they decide their delivery window which can be set up to 13 days in advance. The choices are either short 2-hour delivery windows or half-day windows. The available appointments are provided via direct real time interface with FLS VISITOUR.

FLS VISITOUR then calculates an optimized virtual constellation route. This provides not only high level customer service, but also ensures a cost-efficient line-up of delivery appointments for the company. As soon as customers choose and confirm their delivery date and time those appointments are entered into real-time route planning, optimized with "what-if-when" considerations. FLS VISITOUR calculates routes in real time and to street level detail and despite the high user count and large offering of delivery slots the software proves its enormous computing capacity.

Mobile App for real time communication

Drivers receive their route data for the following day on their mobile app FLS MOBILE. Drivers then report their status back to FLS VISITOUR via the app and indicate, which deliveries have been completed. That way, central planning always has a real-time update on the status of all deliveries.

The results

"We are constantly developing new standards across all processes along the supply chain, as we aim to fulfill our customers' requests even better", says Jörg Unruh, Director of Logistics at REWE Digital. He is convinced: "The decision to use FLS VISITOUR and FLS MOBILE for scheduling and route planning was right on the mark. Furthermore, the software helps us as it simplifies processes and delivers consistent performance. Here, we can count on FLS as our reliable partner."



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Benefits:

- Considerable improvement of the appointment planning with simultaneous increase in cost efficiency
- Automation and simplification of route planning processes
- Ensuring the operative growth through transparency and continuous performance
- Seamless connection of the appointment portal for the customers and the operative route planning

More information: www.rewe-digital.com

Awards for the online delivery service confirm that REWE keeps its promises to its customers. In 2015 the IT magazine "CHIP" named REWE delivery service "Best online delivery service" with significant lead ahead of the competition. In spring 2016 the "ComputerBild" magazine reached the same conclusion and to top it all REWE was crowned best multi-channel provider by the business press "Internet World Business" during their Shop Awards.

FLS has come to know the REWE delivery service as a nimble enterprise and this creates ideal conditions for partnership and to respond to the demands of the business model together with innovative solutions.

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