

5 key trends in warehousing for 2021: from social distancing to flexible working.



introduction.

Warehouses have battled a perfect storm in the last year.

From vast disruptions to the global supply chain, to an unprecedented surge in ecommerce, to unpredictable spikes in demand as consumer behaviours changed overnight, the industry has found itself in near constant uncertainty.

But where the only guarantee is uncertainty, the only solution is to adapt. From embracing automation, to data-driven warehouses and new ways of working – **here are five trends shaping the warehousing sector in 2021.**

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1. micro-fulfillment centres geared toward ultra-fast delivery.

Remember when two-day delivery felt like a new frontier in fulfilment? Now that's old news. Today's consumers expect their goods the next day, the same day, in less than two hours in some cases. For the large, centralised hubs typically relied upon by the warehouse sector, that creates a dilemma – how can they get goods there in time? Enter micro-fulfillment centres.

These compact centres are deployed locally, and in greater numbers, allowing warehouse teams to provide an efficient, fast last-mile delivery solution. Either built as standalone operations, or bolted onto an existing location to add capacity, their size makes them flexible and cost-effective. Already it's a solution proving popular in the grocery market, with logistics giant Swiss Log launching a pilot of automated micro-fulfillment centres with international food retailer Ahold Delhaize in December 2020.



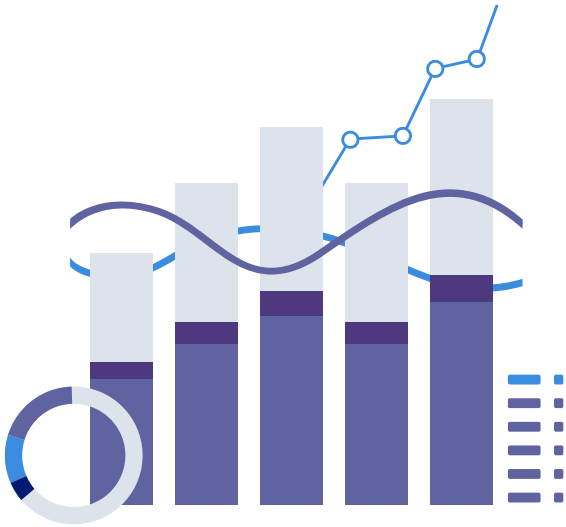
2. creating resilience via scalable automation.

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As restrictions ease, the warehousing sector faces a brand new list of uncertainties. Will consumers remain committed to ecommerce? Will they return to the high street in droves? How might their expectations have changed? The only answer is to remain agile and responsive to whatever retail clients may require. For many that will require an update on traditional systems that simply don't offer the sort of flexibility needed to keep pace, and a need to embrace scalable automation instead. This could take many forms, from AGVs able to transport non-conveyable goods quickly, to autonomous mobile robots (AMRs) able to support on a variety of tasks, and cobots – working closely with humans.

3.

maximising assets using data-driven warehouses.



The modern supply chain already runs on data, be it collating consumer preferences, monitoring goods across a distribution network or tracking shipments. But for too long the significance of data in creating leaner, more efficient processes within warehouses were overlooked. That's now beginning to change, with more and more operators embracing the idea of a data-driven warehouse – warehouses labour management systems (WLM) are just one example of systems that collect and monitor metrics in real time. This can identify inefficient process and help identify opportunities to automate or flag technical problems ahead of time – putting operators firmly ahead of the competition when it comes to understanding how to streamline their business.

4.

creating social distance, by reducing dependency on humans.

Social distancing rules throughout the pandemic created major challenges within the warehousing sector, where staff are often carrying out manual tasks in close proximity or working alongside one another to get the job done. This challenge became even greater amid a spike in ecommerce orders that accompanied the pandemic, with some warehouse workers alleging it was 'impossible' to keep a safe distance.

There's little doubt the experience will accelerate plans to swap socially distanced humans for automated 'Bots' that can get the job done without the same risks. As the owner of one logistics firm put it: "[the pandemic] is teaching us that our reliance on human labour to get the job done is very risky."



5. a rise in flexible working.

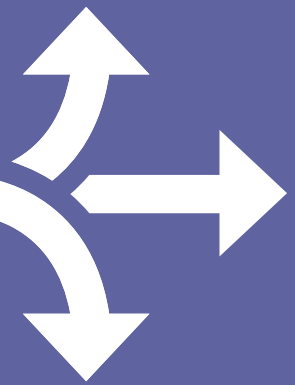
Even once social distancing restrictions relax in the workplace, it's likely that many companies in the sector will adopt a more hybrid, flexible staffing model – offering work from home options where functions can be performed remotely. Administrative or office-based roles in particular, are more likely to be carried out off site going forward, but there's also scope for more technical or operational roles to be carried out remotely where companies choose to adopt a greater level of automation. Examples could include remote operation of complex machinery (where connectivity is reliable) and real-time monitoring remotely via video feeds. As well as more flexible working options for staff, this shift will free up valuable space within warehouses too, to add capacity at no additional cost.

It's been a challenging year in the warehousing sector, one shaped by unpredictability and major disruption. And some level of disruption looks set to remain, as the world continues to recalibrate supply chains in the wake of the pandemic. But in facing up this challenge, the industry has adapted, evolved and embraced brand new technologies and systems that may otherwise have been years away. All which respond to the biggest certainty of the last year: that businesses need to be ready for anything.



For more information on warehouse efficiency, read our recent ebook “Easy Cost Cutting in the Warehouse” which describes how, according to Logistics Management, labour costs account for 50-70% of the average warehouse budget...yet a warehouse management system (WMS) on its own only gives 40% of the visibility needed to determine costs in the warehouse.

[click here to download the ebook.](#)



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