



From shelves to shoppers:

The art of seamless logistics .



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The dynamic retail landscape



We are living in a world with endless shopping choices. A blend of online and offline spaces where physical stores coexist alongside their virtual counterparts.

While e-commerce in Southeast Asia (SEA) grows significantly, we have also seen a shift — <u>the return of offline shopping</u> – driven by shoppers' need to connect with brands and products in person.





Brands are reimagining their physical stores to create immersive spaces that shoppers will visit.

Many are tapping into new technologies – *virtual apparel try-ons, anyone?* – or experimenting with the store layout and format to deliver fresh retail experiences in hope of influencing purchase decisions.

Retail experience and logistics are interlinked



Picture this scenario: Understocking

Many eager shoppers come across your exciting campaign for the perfect pair of shoes.

Stoked to try them on, they visit your store just to be met with regretful sales associates saying:

"I'm so sorry, but the shoes are out of stock."

They leave your store dejected, but only for a while.

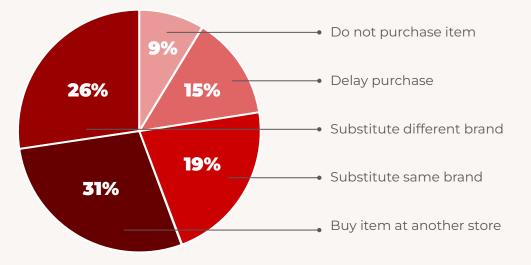
The next moment, they buy from your competitor.



The importance of having available stocks in stores

A study by <u>Harvard Business Review</u> with over 71,000 consumers in 29 countries showed that retailers can lose **nearly half of the intended purchases** when customers encounter out-of-stock situations.

A <u>2020 APAC Shopper Study</u> echoed the same sentiments – **out-of-stocks are the #1 reason shoppers leave a store.**



Picture this scenario: Overstocking



You place order for a large volume of new shoes, expecting a sell-out.

And the sell-out did not happen.

As the new shoes turn old, not only are they hogging space in your warehouse, but worse, **they are hogging space in your stores – valuable space priced at high rental cost per square feet.**

Your solution?

Sell them off at a huge loss.

^{by} INVITE ONLY

"Our stores are small due to the nature of our products. We have to make sure that our restocking – products, packaging and visual merchandising – are timed properly to ensure that there is sufficient storage space. We do not want a situation where our customers are here to purchase a product and it's not available."

Trixie Khong, Founder of By Invite Only

Picture this scenario: Business expansion

You are excited about your latest expansion to Penang.

As a business owner, you know that updating your storefront is key to keeping it fresh for your customers.

The proximity of your warehouse to your Kuala Lumpur storefronts allows you to make weekly updates.

But you cannot do that with your Penang storefront. Your logistics partner cannot commit to a regular restocking schedule in the area.

Not only that – you also face delays when restocking popular items and transferring stocks between locations.



These scenarios must be frustrating for you as a business owner, with all these losses in dollars and cents.

That is not all.

Communication breakdown between your staff and delivery personnel, damage and loss of your goods, inaccurate tracking of your inventory...

These are just a few of the many challenges that retail businesses face when logistics partners are unable to meet the business needs.

The retail experience and logistics are intricately linked, and the success of your retail business lies in the efficiency of logistics.

The right products at the right place at the right time.





"Customers visit the stores so that they can get the items they want immediately. It is inconvenient for them if they take time to visit the stores and we don't have the products they want."

- Judy Kim, General Brand Manager of JUNGSAEMMOOL Beauty (SG)

The close link between retail and logistics highlights the need for a hassle-free and seamless supply chain management to ensure a positive customer experience.



* Optimising retail experience through logistics partnerships Supply chain management is vital for the success of your retail business.

But should you handle logistics in-house or engage third-party providers (3PL) to do it for you?

Both approaches have its merits. In-house delivery provides control and brand consistency; 3PL delivery offers expertise, scalability, and cost savings.

So the decision depends on the specific needs and capabilities of your business.

For many, partnering with a reliable and experienced 3PL is preferred.



"We considered building our own logistics team when expanding into Singapore. While having an in-house team is ideal, we also needed to factor in manpower and costs. Opting for a 3PL made sense for us due to their specialised expertise"

- Judy Kim, General Brand Manager of JUNGSAEMMOOL Beauty (SG)



#1 Agility = Profit



Logistics can make <u>up to 15%</u> of a business's operational costs.

A dependable 3PL can offer you these cost-saving advantages:

1. Minimise inventory costs

Keeping optimal inventory levels prevents accumulation, thereby reducing storage expenses.

2. Streamlined operations

Reducing manual intervention lowers the risk of errors, ensuring efficiency and productivity in your operations.

3. Reduced transportation costs

Products can sell out faster than expected. Flexible 3PLs who offer frequent restocking and store transfers can help you meet dynamic customer demands.

#2 Breaking barriers and going beyond borders

In today's increasingly competitive and connected world, you need to respond swiftly to the ebb and flow of your customers' demands.

When your 3PL can deliver to even the most remote areas, geographical constraints no longer hinder your business expansion. This enables you to reach new markets and tap into new customer segments globally.

Whether launching in new cities, rural markets, or expanding internationally, a reliable 3PL with comprehensive network coverage opens up a world of opportunities for businesses aiming for expansion.





#DidYouKnow that Ninja Van provides 100% coverage with over 2,000 hubs across Southeast Asia? This means that our restocking capability can reach diverse geographical locations across borders!





Faber Castell





Founded in 1761, Faber-Castell, a family-owned company for nine generations, is one of the oldest industrial companies in the world. Driven by the motto "Doing ordinary things extraordinarily well", Faber-Castell continues to innovate quality writing, colouring, and drawing products.

Today, Faber-Castell is one of the world's leading companies for high-quality products for writing, drawing and creative design as well as decorative cosmetic products. With more than two billion pencils and colour pencils produced per year, they are the world's leading manufacturer of wood-cased pencils.

The company is represented in over 120 countries. They are also one of the largest producers of erasers, making up to 90% of the world's export market.

Innovation and sustainability continue to be a key focus for the company as it grows.

Challenges faced by Faber-Castell

1. Limited coverage

Business expansion has always been a focus for Faber-Castell Malaysia. However, limitations in their delivery coverage meant that they faced challenges expanding especially in the South and East Coast regions of Peninsular Malaysia, where the company aimed to scale its operations.

2. Lack of real-time parcel tracking

Faber-Castell Malaysia faced significant challenges due to lack of visibility in their delivery processes. This resulted in retailers and brands having limited or no information regarding the location of their parcels. Consequently, they encountered issues such as poor stock management, fulfillment delays, operational inefficiencies, and the inability to provide accurate and timely updates to customers about their order statuses.

3. Speed of delivery

Faber-Castell Malaysia faced frequent delivery delays of 2-3 days with their previous 3PL, leading to inventory problems. The fixed and rigid delivery schedule exacerbated issues, particularly during the post-pandemic period when they needed more frequent restocking. This surge in demand, especially from wholesalers gearing up for back-to-school season after the movement control order was lifted, further strained their inventory management.

Engaging Ninja Van Malaysia and results



"Our partnership with Ninja Restock has been a game-changer for our logistics operations. With their just-in-time approach, we've seen a remarkable transformation in our operational efficiency. By fulfilling smaller orders more frequently, we have minimised inventory holding and prevented out-of-stock and overstock situations in our stores and warehouses. This partnership has been instrumental in streamlining our operations and ensuring customer satisfaction!"

Loo, Warehouse Manager at Faber-Castell Malaysia

Business expansion

Close to 3,000 cartons are delivered monthly through Ninja Van Malaysia's extensive network to Faber-Castell retailers in Klang Valley, as well as the South and East Coast regions of Peninsular Malaysia.

Improved customer service

A dedicated Account Manager from Ninja Van Malaysia oversee and address customer issues and inquiries, leading to overall improved customer satisfaction.

Transparency through digitisation

With Ninja Van Malaysia's tech-enabled system, the team at Faber-Castell Malaysia now has full visibility of their shipments, allowing different parts of supply chain components to better communicate with one another. The digitisation of its supply chain through Ninja Van's platform also improved operational transparency and efficiency, enabling better coordination and decision-making.

Improvement in delivery speed

Faber-Castell Malaysia has seen a significant improvement in overall service-level agreement (SLA), with shipments being delivered within 1-2 days. The frequent restocking capability also means that smaller orders are fulfilled at a higher frequency. This just-in-time approach helped to reduce inventory holding warehouses, thus preventing out-of-stock situations in their retail stores.

Kopi Kenangan



In 2017, Edward Tirtanata, along with Cynthia Chaerunnisa and James Prananto, saw a gap in Indonesia's coffee market. High-quality coffee was expensive, while affordable options lacked quality. Their solution: Kopi Kenangan – where it aims to provide delicious coffee at accessible prices. Their first store, a small 12-square-meter space in South Jakarta, opened its doors that same year.

Strategic pricing, coupled with a focus on customer satisfaction, fueled Kopi Kenangan's early growth. Within two years, Kopi Kenangan had over 230 stores across Indonesia. Their innovative spirit was evident as they shattered a MURI record by opening 26 stores in just one week.



With a focus on quality and affordability, Kopi Kenangan quickly became a major player in Indonesia's vibrant coffee scene.

Diversification in product is key for Kopi Kenangan, as competitors started to emerged. That's when Kopi Kenangan created "Cerita Roti" – the bakery arm of Kopi Kenangan. Cerita Roti offers a variety of fresh bread, pastries, and cookies, complementing Kopi Kenangan's coffee and beverage offerings.

Known for its soft and fluffy bread, Cerita Roti's menu features classic favorites like Roti Keju Manis (sweet cheese bread) and Roti Daging Asap Keju (smoked beef and cheese bread), along with unique creations like Roti Martabak (martabak bread) and Roti Susu Manis (sweet milk bread).

With its affordable prices and delectable treats, Cerita Roti gained popularity among Indonesians, becoming a go-to spot for satisfying sweet and savory cravings.

Challenges faced by Kopi Kenangan

Bread delivery for Kopi Kenangan was particularly challenging as they have no prior experience handling fresh deliveries. Key challenges include:

1. Maintaining freshness:

Bread has a short shelf life, especially fresh-baked varieties. Deliveries need to be swift and ensure the bread arrives at the store in optimal condition to prevent spoilage and wasted product.

2. Preserving quality:

Bread can easily be crushed or damaged during transport. Careful packaging and handling is crucial to maintain the bread's quality.

3. Delivery frequency and delivery timings:

Balancing the need for fresh bread with the cost of frequent deliveries poses a challenge. Timely and well-managed deliveries are crucial for stores to maintain adequate stock levels that meet customer demand without risking staleness.

Stores often establish specific delivery windows to minimise disruptions to their operations. Precise scheduling of deliveries is essential to ensure they align perfectly with these windows.

Engaging Ninja Xpress and results

After testing multiple 3PLs, Kopi Kenangan chose Ninja Xpress for their Cerita Roti Delivery service, utilising Ninja Xpress's Same Day Service.

Each morning at 6AM, trays of freshly baked bread are picked up from the Central Kitchen and delivered to Kopi Kenangan stores across the Greater Jakarta Area, ensuring consistent availability of Cerita Roti.

Ninja Xpress's efficient logistics support has streamlined Kopi Kenangan's supply chain operations, distinguishing them from other coffee chains in the market.

Key results:

Delivered Cerita Roti to 188 Kopi Kenangan Stores in Greater Jakarta Area Achieved 95% SLA, hitting the lead time of 2 - 4 hours requested by Kopi Kenangan

By Invite Only

BY INVITE ONLY



Started in 2009, By Invite Only specialises in minimalist jewellery that's safe for sensitive skin. The brand is built on the belief that jewellery is more than shiny trinkets – it is about self-expression as well as tangible symbols of the connections that matter most.

Today, By Invite Only is one of Singapore's best-known independent jewellery shops, with six retail stores islandwide.

Challenges faced by By Invite Only

1. Unreliable delivery schedules

By Invite Only relied on on-demand logistics delivery apps, but these services were often unreliable. Drivers were often unavailable, causing delays and last-minute cancellations, especially during bad weather or festive periods. As a result, the team had to spend significant time searching for drivers or personally delivering items themselves, which led to operational inefficiencies and diverting time and resources from their primary tasks.

2. Fluctuating delivery costs

Using on-demand logistics delivery platforms presented challenges for By Invite Only due to fluctuating delivery costs. These platforms base their pricing on the size of the parcels being delivered, leading to variability in expenses. This made budgeting and cost management difficult, as prices could change not only with parcel sizes but also with the fluctuating supply and demand of drivers.



Engaging Ninja Van Singapore and results



"We have been looking for solutions to fix the issues we faced with our B2B restocking needs. We spoke to Ninja Van Singapore before Ninja B2B was launched, and we are thrilled now that Ninja B2B is available. Ninja B2B offers a level of service guarantee and reliability that is truly fuss-free. We no longer worry about our restocking needs as everything operates according to schedule. If we need to ship extra items outside of our usual schedule, the Ninja B2B team is always able to accommodate our needs."

Trixie Khong, Founder of By Invite Only

"Just in time" inventory replenishment

Twice a week restocking by Ninja Van Singapore to all of By Invite Only's retail stores.

This maximises their storage space and ensures they have what they need for day-to-day operations, eliminating the risks of overstocking or understocking.

Well-managed fleet team

Ninja Van Singapore's well-managed fleet team ensures that there will always be a driver available to pick up the scheduled deliveries from By Invite Only and deliver them on time.

This provides the team with a strong sense of assurance, significantly improving their overall operational efficiency.

Flexible and personalised solutions

Despite having a fixed schedule, By Invite Only can also request additional restocking whenever necessary, even for small loads.

This flexibility is possible due to Ninja Van Singapore's well-established express logistics network, allowing By Invite Only to ship smaller quantities without any concerns, ensuring their needs are always met efficiently.

Pickup Coffee



Founded just in 2022, Pickup Coffee is a "grab-and-go" coffee startup whose iconic green trucks are now serving many Filipinos around the country.

The company's goal was simple: to offer high quality, espresso and milk-based beverages at friendlier prices. This resonated with Filipino coffee-lovers who could not always enjoy specialty coffee because of the hefty prices they were usually sold for.

Proving to be something the market really wanted, Pickup Coffee has put up over 60 outlets in just their first year and are continuing to bring their iconic green coffee trucks to more Filipinos nationwide.

Pickup Coffee's logistics needs

Pickup Coffee relied on on-demand logistics delivery providers to manage their restocking needs, which led to operational inefficiencies. The process was labor-intensive, requiring manual planning and tracking by the team as well as coordination across multiple drivers.

They needed a logistics partner who could streamline these tasks and provide a more efficient, reliable solution. Some of their needs include:

1. Co-load with less-than-truckload volumes

Pickup Coffee needed a partner that can help them deliver less-than-truckload supplies to their outlets more efficiently.

2. Avoid out of stock issues

With understocking of high-demand products leading to potential loss of sales, Pickup Coffee wanted to maintain healthy stock levels in all their outlets.

3. Nationwide coverage

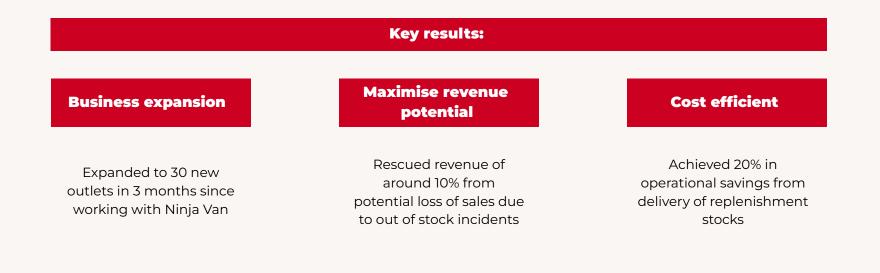
The fast-growing startup is poised to continue scaling up their footprint across the country as long as they can efficiently restock to outlets outside of Metro Manila.



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Engaging Ninja Van Philippines and results

Pickup Coffee has found a cost-efficient and faster way to transport their stocks to outlets outside of Metro Manila and Greater Manila Area with Ninja Restock.



MTrade by MFast



MFast, a brand under DigiPay JSC (Digital Payment Solutions Joint Stock Company), is a Vietnam-based fintech startup. MFast has established itself as an effective sales channel for the financial and insurance sectors, recognized for its high-quality sales team and extensive national reach.

In addition to its financial platform, MFast also introduced MTrade—a business model that connects authorized partners in consumer electronics and home appliances with retailers eager to distribute these products. This model offers authorized partners additional sales channels to reach consumers, with the added advantage of both direct and deferred payment options at 0% interest, allowing sales teams to engage a broader range of customers, including those who are not financially ready.

With its innovative approach, MTrade has seen remarkable growth, leading to the expansion of its warehouses, advertising points, and the establishment of 10 sales locations across various provinces.

Challenges faced by MTrade

1. Unreliable Delivery Speed

Slow delivery is a significant challenge for MTrade. Previously, the delivery times did not meet commitments, causing many orders that should have taken 3-5 days to exceed 10 days, particularly for remote areas.

2. Complex compensation process

Given that MTrade primarily handles consumer electronics and home appliances, MTrade is highly concerned with the process for handling losses and damages during transportation. The more complex, and delayed this process is, the more it impacts customer trust and the company's reputation.

3. Challenge in managing multiple logistics partners

As a link between sellers, sales teams, and end-users, MTrade faces significant pressure to resolve complaints from various parties promptly when issues arise. This creates inefficiencies, impacts management capabilities, and ultimately affects customer satisfaction.



Engaging Ninja Van Vietnam and results



"At MFast, our priority is scaling MTrade within Vietnam and expanding into new markets like Singapore and the Philippines. To support this growth, we needed a reliable partner. Ninja Van's extensive coverage in Vietnam and Southeast Asia, along with their Ninja B2B service, has been crucial. They ensure efficient goods movement across diverse locations, helping us expand into new provinces and reach more consumers seamlessly."

- Mr. Nguyen Chi Thanh, Chief Technology Officer, MFast

Improvement in delivery speed

Leveraging its extensive network and advanced e-commerce logistics platform, Ninja Van Vietnam has significantly reduced MTrade's delivery times across interzone, near interzone, and intrazone routes, delivering **2-3 days** faster than MFast's previous partners.

Easy and prompt issue resolution

The Ninja Van Vietnam's B2B support team operates efficiently to ensure that complaints are resolved **within 24 hours** of issue identification. This approach enables MTrade to maintain smooth operations and uphold its reputation with suppliers, market sales teams, and customers.

Hypercare service

Beyond transportation, Ninja B2B emphasises outstanding customer service, demonstrating a deep commitment to business growth.

Thanks to Ninja Van Vietnam's personalised and flexible approach, MTrade has **doubled its shipment volume** with Ninja B2B services in **just two months**.

Your essential logistics partner checklist

Planning and forecasting your inventory is crucial, and you also need a reliable 3PL to ensure that you can actively manage your restocking needs.

If you are looking to optimise your supply chain, here is a checklist for you.



Nationwide coverage

Majority of traditional transporters are limited to their network, mostly serving a specific city or state and handing them over to a different transporter to continue the journey.

When your products are handled by multiple transporters during delivery, it leads to a higher risk of communication breakdown and misalignment.

So when choosing your 3PL, verify that they are able to reach diverse geographical locations so you can focus on growing your business, hassle-free!



#DidYouKnow that Ninja Van Malaysia can deliver from Kangar, Perlis to Semporna, Sabah?



Tracking visibility

A feature now missing in the B2B restock scene.

Parcel tracking visibility is essential to prevent losses from misplaced shipments and inaccurate inventory records.

Partnering with tech-enabled 3PLs grants you real-time tracking capabilities, ensuring you always know the location of your stock.



Speedy delivery

Fast delivery is crucial for businesses as product availability (or unavailability) has a direct impact on your customer satisfaction and your competitive edge.

Working with a 3PL who can provide fast delivery also lowers inventory holding costs, thus minimising the risk of stocks being obsolete.



Flexible and personalised solutions

There is no one-size-fit-all approach when it comes to businesses and restocking needs.

This is why it is important for you, as a business owner, to find a 3PL that can provide you with tailored solutions to meet your needs.



Cross-border delivery capabilities

For some businesses, finding a 3PL that can handle both domestic and international shipping is key.

If this is what you are looking for your business, make sure that your 3PL is also **proficient in navigating port processes, managing custom clearance, and warehouse management.**



#DidYouKnow that Ninja Van Malaysia can help provide you with a one-stop inventory management and order processing for your fulfilment needs? Read more <u>here</u>.

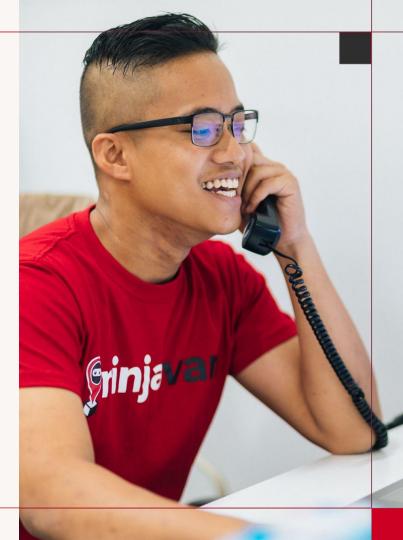


Omnichannel support

Partnering a 3PL that offers omnichannel support can transform your restocking process.

Enjoy seamless and reliable deliveries across both online and offline channels, tailored to your needs.

An end-to-end logistics solution enhances customer experience with convenience, speed, and personalisation, meeting modern shoppers' expectations and driving business success in today's retail landscape.



Looking ahead: Driving retail success through logistics

The restocking space is at a critical juncture as commerce and retail evolve alongside rising customer expectations.

Logistics is crucial in delivering the retail experience you aim to provide as well as supporting your business expansion plans.

Gone are the days of rigid restocking schedules. Now, you can proactively plan your inventory and ensure your 3PL meets your needs and delivery frequency.

Choosing a 3PL that aligns with your requirements keeps your business agile, meeting customer demands and achieving success in the dynamic retail landscape.

