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# How F. Hinds reinvented Click & Reserve to deliver their intelligent omni-fulfilment solution



#### Introduction **F.HINDS**

Having been a customer of Red Technology's for over 10 years, F. Hinds knew exactly who to turn to when they encountered problems trying to deliver a new Click & Reserve service. After implementing a new EPoS system across their entire store estate, they wanted to introduce an omni-fulfilment solution for online orders, where items could be fulfilled from both warehouse and store stock for delivery and collection. However, they encountered problems when their EPoS and backend systems were unable to meet their requirements. This meant the solution needed to be delivered via their ecommerce platform, tradeit, meaning an unprecedented and unique project requiring huge development and innovation.

# Background

- $\checkmark$ Started in the jewellery and watch making business in 1825 before establishing F. Hinds in 1856.
- $\overline{\mathbf{V}}$ Largest independent jeweller in the UK with approximately 1000 staff.
- $\overline{\mathbf{N}}$ Serve over 2 million customers each year — online and in stores.
- Launched first ecommerce site  $\mathbf{\nabla}$ with Click & Reserve in 1997.
- Using the tradeit ecommerce  $\checkmark$ platform since 2006.
- 118 stores in the UK.  $\mathbf{\nabla}$





# The Problem

Due to the high value of many items and the fact that jewellery buying is often an emotive and tactile experience, it makes little business or economic sense to keep products hidden in a warehouse. But if they're not all stored centrally, how can you fulfil your online orders, particularly those requiring collection from stores?

Whilst they were one of the first big retailers to offer Click & Reserve back in 1997, their previous system worked by fulfilling orders from their central warehouse which was easy to manage, but lacked the flexibility they now required and their customers now demanded.

- ☑ If an item was not in stock at the warehouse, it could take 3-4 weeks to finally reach the store for the customer to collect.
- $\square$  The system didn't make use of stock spread across their entire store estate.
- ☑ Customers had difficulty accessing stock unless it was at their local store (no store checker or on-site message of availability of other sizes).
- Store locator was poor and told customers too little.
- Buyers were not offered alternative sizes to view in-store or have resized.

"A change of EPoS system presented the opportunity to update the current site. Rather than do the mere basics required, we presented Red Technology with the challenge to pretty much start from scratch, reinventing what Click & Reserve can be and really embracing omni-channel retailing."

Ecommerce Manager, F. Hinds

# **FHINDS** The Challenge

The project requirements laid out by F. Hinds posed huge challenges. Usually these types of 'fulfil from anywhere' solutions would be controlled from an ERP system, or specialist piece of stock management software, before being integrated into a website. Delivering it via an ecommerce platform, in almost real time, was completely unprecedented.

Not only that, as the project progressed, there were inevitably additional ideas and innovations required or suggested which increased the complexity and scope of the project. These needed to be catered for whilst still not affecting the user experience. For instance:

"When the project documents surpassed 100 pages I knew it was going to be an intense one — I can't imagine doing a project of this scale with anyone other than Red Technology."

Ecommerce Manager, F. Hinds

- ☑ It's unrealistic to stock every product, in every available size (rings), in every store, as well as having all items available for online fulfilment, so a more intelligent use of their current store stock and their central warehouse needed to be found online.
- ✓ Customers often like to see and touch items before they purchase so availability was also key. This meant that all customers needed to be able to access all products at their local store, or a nearby store meaning they can effectively try before they buy.
- ☑ There is a cost, time and resources involved in moving items from a central warehouse, and particularly between stores, so an item value threshold needed to be implemented to make it economically viable and practical before transferring items between locations.
- ☑ Experience needed to be the same across all device types.
- Items needed to be automatically removed from the website if stock fell below a certain level, rather than risk alienating customers by being unable to fulfil orders.
- ☑ In the case of rings, customers needed to be shown the location and availability of a store with an alternative size, or have it transferred to their local store, in case they just wanted to view the item or had an urgent need before resizing it at a later date.
- ☑ The system needed to cater for the different fulfilment types (including direct from the supplier), availability and cost of each option, and the scheduled date of dispatch or collection from each individual store if user selected Click & Reserve including allowing for the time it would take a goldsmith to resize a ring!
- ☑ Their current ERP/EPoS system was unable to handle this complex stock movement and options, so a different solution needed to be found.

Was there a way of keeping most stock in stores but moving it between them to fulfil online orders, including nationwide store collections, in almost real time?

The previous incarnation of their Click & Reserve service worked by fulfilling all orders from their central warehouse. The new system needed to:

- Manage the intelligent movement and location of stock (exactly where every item is on a store by store basis) using the quickest and cheapest method to fulfil orders.
- Calculate delivery times around stock availability, offering anything from immediate collection through to the transfer of stock from one location to another based on the number of days required to transfer it. This included factoring in store/warehouse opening times, internal transfer times, value of item and even time taken to adjust ring size by a goldsmith in order to fulfil orders.
- Display that information to customers in a user-friendly way without affecting site speed or experience, across all device types.

"We've learnt, they've learnt and we've grown together — to be fair it's been like that for over a decade now!"

Ecommerce Manager, F. Hinds

This new system meant an entirely new workflow for the site based on real-time calculations, all undertaken by their ecommerce platform.



#### **F.HINDS**

#### Product Availability 1.

Before a user now visits the website, a daily report is run to determine stock levels across the business. If the stock of an item falls below a certain buffer level defined by F. Hinds, then the product is removed from the product listings page but still remains in search results for SEO and legacy users. The report calculations run in order to determine:

- $\overline{\mathbf{V}}$ Whether the item available from warehouse with greater than x in stock? (x is determined by F. Hinds). If so then product page is fine to display.
- $\mathbf{\nabla}$ If the item is not available at the warehouse, is it available in more than x stores (again, x is determined by F. Hinds)? If no, then product pages is removed.
- If item is available at x stores, then a calculation is made to determine whether the value of the item  $\mathbf{\nabla}$ exceeds £x (x is determined by F. Hinds). This is to deduce whether it is economically viable to transfer the item for delivery or collection from another store. If the value of the item exceeds that threshold then the product page will be displayed. If not, it won't.



Buffer levels set by F. Hinds and determined by their pre-defined criteria in order of:

•

- Available stock in warehouse
- Available stock in greater than x stores
- Value of item exceeds £x (Determines whether it is economically viable to move from another store)

## 2. Delivery Availability

Following on from the daily report to establish whether the product page should actually display, the next set of calculations take place on those pages in almost real time. These calculations will determine whether the product is available for delivery and include:

- Ø Whether the item is available for delivery to the UK.
- ${\ensuremath{\boxtimes}}$  Whether the item available for delivery to the EU.
- Description Expected dispatch date if ordered before next cut-off time (based on ordering one unit).

**tradeit** will always route orders for delivery via the cheapest and quickest method and that is what is displayed to the user, following the pre-defined sequence of how to try and fulfil the order.

- ☑ Fulfil from warehouse stock.
- $\square$  Fulfil from store stock (if value of the items exceeds £x—to justify moving it).
- ☑ Can item be resized from another size (only applicable for rings) and fulfilled?



# The Solution

So the minute a user lands on a product page that isn't a ring (those are treated slightly different and will be shown next), **tradeit** begins to make these calculations:



## 2. Delivery Availability (Rings)

Product pages for rings are slightly different to other products in that they do not show availability straight away due to different size options and additional calculations made in **tradeit**. Once a size has been selected **tradeit** does the same calculations as any other product to determine its availability, however, further calculations are made if the requested item is not available\*.

If the item is not in stock at the warehouse or in stores, **tradeit** is able to calculate whether the same item is available in a different size (at the warehouse first, then at any other store) and can thus be sent to a goldsmith for resizing, before being fulfilled.

Not only that, a message can also display alerting customers to the availability of the same ring in a different size at their selected store, in case they urgently want to view/ touch the product before ordering the correct size. As the service is via Click & Reserve, payment is made in-store so the customer doesn't have to order an incorrect size online, just to see it, and then exchange or return it.

\* Due to the higher value, fact they are often a once in a lifetime purchase (engagement and wedding rings), and the large number of size options, rings are much less likely to be immediately available than other products. The cost and turnover of products means having every ring, in every size, at every store is impractical.



#### **Collection and Delivery**



Expected dispatch or collection date is shown as before but takes into account the additional calculations being made by **tradeit** to see if another item can be resized to fulfil the order if it is not in stock at the warehouse, or in any of the stores.

#### **Collection and Delivery**

| Collection from your local store  |             |                           |  |  |  |  |  |  |
|---|-------------|---------------------------|--|--|--|--|--|--|
| Fell us where you are   |             |                           |  |  |  |  |  |  |
| dunstable   | CHECK       | USE MY LOCATION •)        |  |  |  |  |  |  |
| Collection Branch: Dunstable  |             |                           |  |  |  |  |  |  |
| Your chosen store will contact you when goods are ready for collection.<br>When ordering a single item we estimate that it will be available from<br>11:00 on Wednesday 12 October 2016.* |             |                           |  |  |  |  |  |  |
| NB your chosen store is showing as<br>view the item sooner.   |             | zed - select this size to |  |  |  |  |  |  |
|   |             | Check Other Stores        |  |  |  |  |  |  |
| Delivery to the UK and EU   |             |                           |  |  |  |  |  |  |
| Expected dispatch date: Wednesday 05 October 2016*  |             |                           |  |  |  |  |  |  |
| Orders for multiple units/items may   | take longer | and this will be          |  |  |  |  |  |  |

calculated at the checkout stage.

Alongside that, the user is alerted to the availability of another size at their chosen store (if applicable), enabling them to view and touch the product immediately.

#### **F.HINDS**

# The Solution

Following on from the calculations required for other products as before, rather than say that the order can't be fulfilled having checked the warehouse and stores for stock, further calculations are made. If both come back with no availability, **tradeit** will determine whether any different sized version of the same product can be resized to fulfil the order.

The availability will then be determined based on the time it takes to move the stock (prioritising stock from the warehouse over store stock), the time the goldsmith will need to resize the item, and then the time to deliver the item or send it to the chosen store for collection. These dates and times will then be displayed to the user in real time via **tradeit**.

Alongside that, a further calculation is made to determine whether an alternative size product is available in the selected store in order to give customers the option to see/ touch the product. If so, messaging is displayed alerting the user of this. If not, no message is displayed.



\* A buffer is put in place to ensure that there is stock in x stores, so it doesn't sell out before it is reserved and re-routed for an online customer.

### 3. Collection Availability

Further calculations will take place if a customer chooses collection rather than delivery. Unlike delivery, **tradeit** will try and fulfil the orders for collection from the existing store stock of the chosen location, as that will be the cheapest and quickest method in this instance. This means that the calculations are basically reversed with **tradeit** checking chosen store availability first, then the warehouse, before establishing the cost of the item to determine whether it is financially viable to transfer it from another store, all in real time.

**tradeit** will always present next availability at the chosen store, however, that may mean stock being routed from an alternative store, so the date could be quite a way off. As a result, **tradeit** will also calculate the availability of the item at the next 9 closest stores for the user, as they may be able to collect it sooner from one of those. This means it is actually calculating the availability at 10 stores - factoring in opening times, time taken to transfer stock internally, and even the resizing of products if a ring is chosen - all in real time!



#### **Collection and Delivery**



Next available date for collection is then displayed. Unlike delivery, this will be based on availability at the store first, then the warehouse and then other stores assuming the value of the item is over £x.

tradeit will always display the earliest fulfilment date from the chosen store but the item may be available sooner from other nearby stores so as part of the calculation, checks the availability at the next 9 closest stores (within 35 miles) too. If the user then checks those other stores, that information is presented to them in real time.

So, once the user selects collection and their required store as the preferred method of fulfilment, the following calculations take place to determine the exact time and date of availability at their chosen store. There is also the further calculation going on in the background to determine the availability at the next 9 closest stores (within 35 miles) in case the user wants to try and collect the item sooner if that is an option.



\* A buffer is put in place to ensure that there is stock in x stores, so it doesn't sell out before it is reserved and re-routed for an online customer.

#### 4. Basket

Once an item is added to the basket the user can confirm their fulfilment choice, but still has the option to change it, including collection from an alternative store.

During the project it was decided to make some additional changes around the basket and My Account areas of the site. Due to their business model, and the fact that most purchases are for single items in one-off cases, allied to the fact that their data analysis told them that only 0.5% of customers ever re-logged into their account (and nearly all of those were to check the tracking of their order), F. Hinds decided to completely remove the My Account functionality from their site. This helped to speed up the checkout process and reduce the likelihood of basket abandonment. Users can still check track their orders using their email address or order number so there is no real loss of functionality as far as the user is concerned.





|                       | HINDS  | fact details                                    | •                                |  |  |   | Click & Reserve allows<br>flexibility to order products<br>to try/see in the flesh at a<br>local store before buying. |
|-----------------------|--|---|----------------------------------|--|--|---|---|
| F.HINDS<br>Your Order | New<br>Str Vines God<br>Tarazete And Damon<br>Klasse Pedant And<br>Outro<br>Diffio   | Price Gran<br>£175.00 1<br>bial to pay in store | elly Total<br>0175.00<br>0175.00 | Collection in store<br>Collection From Control<br>are may be collection. The<br>means of the collection The<br>means of the collection The<br>means of the collection The<br>means of the collection of the collection<br>theorem of the collection of the collection<br>of the collection of the collection of the collection of the<br>collection of the collection of the collection of the collection of the<br>collection of the collection of | Your Details - Please Complete Emul Advews * Fire Name * Lase Name * Taisphone * Exercise Second Sec |   |   |
| OH OH                 | 65 BACK<br>Dright G F Jinda 1957 - 2016, economo<br>polytik G F Jinda Lonton 20 Park<br>Hel Lonton Lonton 20 Park Roat, Ud | d Starting CHIy                                 | x 148229                         | VISA VISA VISA   | 😂 📰 PayPal 🛛 worldpay  |   | Enables store staff to<br>up-sell or cross-sell during<br>collection.   |
| Lar Name *            |  | _   | _                                | _  |  | L |   |

# The Solution

### 5. Additional

Whilst implementing the new omni-fulfilment (Click & Reserve) solution, some additional functionality was also added to the site to improve the customer experience including a new responsive design, an improved store finder, 360° images, and order tracking without a My Account, amongst others.

|                               | F.HINDS   | Legis-Register Teach Your Order | Castumer Services Store Locator | Seatch<br>BaskatChecked 70 |   |  |
|-------------------------------|---|---------------------------------|---------------------------------|----------------------------|---|--|
| F.HINDS                       | <text><section-header><section-header><section-header><section-header><section-header><section-header><section-header><section-header></section-header></section-header></section-header></section-header></section-header></section-header></section-header></section-header></text> | Weiding Kings Weithers          |                                 |                            |   | Store Finder<br>Detailed info of opening<br>hours, address, map, and<br>products/brands stocked. |
| Ench: Coviry<br>U Testas Bare | CLUBIST CASIO   | Hespirit CITIZEN Jean Pro       |                                 | PULSAR                     |   |  |
| Dologi<br>Carbon<br>Grinonkos |   |                                 |                                 |                            | _ |  |



#### 360° Images

Gives customers a better view of products before ordering.

### **F.HINDS** The Benefits

The benefits of the new service are two fold with improvements to both the customer experience and F. Hinds' own internal operations.

When the project first started the aim was to help deliver improvements to their Click & Reserve service by enabling them to fulfil orders from both their warehouse and entire 118 store estate but has since expanded to include other improvements too:

- ☑ Customers can reserve almost any product they want and have it sent to any store, meaning they can see and touch it before buying.
- F. Hinds are able to keep more products on the shop floor, in front of customers, helping to increase footfall and sales both in-store and online.
- Removal of customer 'My Account' speeds up checkout without affecting the user experience.
   Streamlined to not force customers to register.
- ☑ Closed checkout helps to reduce basket abandonment and increase conversions.
- $\square$  A responsive design ensures same experience across all devices.
- Description of Expanded reach with introduction of international delivery.
- Ability for store staff to up-sell or cross-sell when customers collect products proven to increase average order values.

"At times this has been a challenging project yet Red Technology have remained positive throughout, willing to adapt the approach to the project and been core to finding solutions to external issues."

Ecommerce Manager, F. Hinds

# The Results

As shown below, the results have proven to be extremely positive in the days that have followed the implementation. The previous incarnation of the website had separate desktop and mobile sites, but the new site is delivered with a responsive design leading to huge increases on mobile devices across many of the site's KPIs which are also shown.







# Why Red Technology?



#### Class-leading ecommerce platform

Highly flexible and scalable **B2B & Retail ecommerce platform** with strong multichannel capabilities, rich functionality and a clear roadmap for future innovation.



#### Expert systems integration

Seamlessly joining together your critical business systems for **improved efficiency and ease of management**.



#### Solutions built for personalisation & sales

Don't just take orders, actively **sell to your users 24/7/365** with our powerful marketing & promotions tools.



#### Complete ecommerce agency services

Complete range of ecommerce agency services from Consulting, Design & Implementation through to continued Development, Hosting & Support.



#### International expansion

Fully localised options for tax, language, currency etc... enabling you to **expand internationally into new markets.** 



The company we keep

We work with some of the **UK's leading retailers**, **manufacturers**, **distributors and wholesalers** on both their B2B and Retail channels.



#### Award-winning ecommerce sites

Over 15 years experience of delivering **best-in-class** ecommerce sites for our customers that are recognised, and rewarded, across the industry.



#### Proven return on investment

Delivering the tools you need for **substantial online** growth and a significant return on investment.



We share our **insight into the ecommerce industry** gained over the last 15 years and **hundreds of successful website deliveries**.



#### Responsive web design

We deliver **ecommerce sites optimised for all device types** including TV, desktop, tablet, phablet and mobile, across multiple breakpoints.

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