

DHL Supply Chain sets new industry standard in eCommerce with its European Fulfillment Network

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Customers using this highly flexible network solution have already seen significant cost savings along with improved delivery times.

The e-commerce boom during the global Corona pandemic has boosted demand for mail order and online retail across Europe, with brand stores and smaller sales platforms having to compete against the big retailers and marketplaces. In response, DHL Supply Chain – contract logistics leader and part of Deutsche Post DHL Group – offers online retailers access to its European network of 30 DHL e-fulfillment centers. These strategically located sites, in close proximity to the major urban centers and parcel hubs, offer specialization in processing, picking, packing and shipping online orders.

In this highly competitive market, speed of delivery – along with product price – has come to play a critical role in consumer decision making. More and more customers expect to receive their order the next day, which means that the proximity of the seller's warehouse to the buyer's location is a key factor – which is where DHL Supply Chain is positioned to provide a unique service to customers.

"Typically, small and medium-sized shops lack the capacity to be present in each European country, which keeps them distanced from consumers and markets. Even larger retailers find maintaining that kind of presence is often financially heavy from a cash flow perspective or not cost-effective. In response, we are now offering vendors and online shops a multi-user network solution,"

explains Hendrik Venter, CEO DHL Supply Chain MLEMEA. "This gives customers access to all of our established services in a way that is flexible and tailored to their needs. We can support customers across the entire supply chain – from inbound handling and storage, pick and pack, last-mile delivery as well as returns handling. Customers particularly appreciate how we can scale-up this flexibly according to actual order volumes, as well as nationally and internationally."

In light of Brexit, the new offering has become even more relevant for UK and EU companies alike: "We understand the needs of our customers, and the demand of their end-consumers, and they require a seamless e-comm fulfillment solution with or without Brexit and that is our aim," says José Nava, CEO DHL Supply Chain UK & Ireland.

"With the challenges of Brexit and the global impact of COVID-19, our customers are keen to make their supply chains more resilient, but at the same time more flexible and able to respond to volume fluctuations and potential barriers in global trade lanes. This also applies to businesses in the EU that want to serve their customers in the UK in the most efficient way. Reducing dependency on individual markets and geographies, and having multiple stock points in different countries has been accelerated by the pandemic, and that's here to stay. Proximity to the market and having a scalable network solution will bring huge benefits," he added.

By pooling multiple customers in centrally located, DHL multi-user facilities, retailers and organizations adopting a direct-to-consumer sales strategy will benefit from the strength of this European network. It significantly improves their ability to provide the kind of fast, transparent shipping today's consumers' demand, while providing exactly the kind of flexibility retailers need.

"We have found DHL's European Fulfillment Network to be an ideal fit for us as we started e-commerce business to end customers in Germany and aim to rapidly scale into several European markets using this product," said Manav Bhandari , CEO Jamoona.

Customers can tailor the scope of service modularly by region and/or country depending on their needs and, thanks to brief implementation lead times, can scale it to match order volumes. The key to this is DHL Supply Chain's strong regional presence in all major European markets, including the UK. A well-distributed network model can have a significant impact on the organization's

bottom line. One customer of the model improved its cost to serve across Europe by 30%, mainly thanks to shipping on domestic shipping rates rather than on international ones.

Customers using this highly flexible network solution have already seen significant cost savings along with improved delivery times. Users of DHL Supply Chain's European fulfillment network thus benefit from the tremendous flexibility of modular services, while also becoming more attractive to end customers thanks to speedier and more transparent shipping.

As the global front-runner in 3PL logistics, DHL Supply Chain partners with customers to develop omnichannel strategy, scale fast and optimize execution while keeping the customer in control of the end-to-end customer experience. The customer benefits from industry-leading e-commerce expertise and DHL's unrivalled global fulfillment capability and last-mile footprint.

Source: [Deutsche Post DHL Group](#)

