



WAREHOUSE LOGISTICS

TOP 5 QUESTIONS ANSWERED BY AN EXPERT

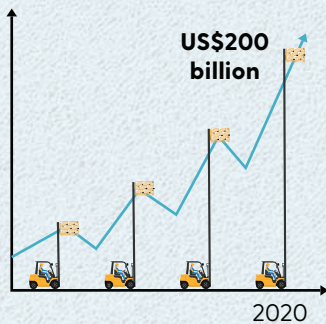


BIG INDUSTRY, BIGGER CHALLENGES

Bigger the industry, bigger are the problems to be solved.
Well, that's what we believe!

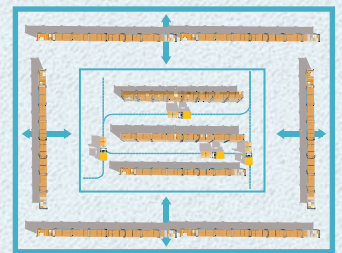
We're really not making this up. Here is some data to prove this to you.

How big is the industry?



The **logistics sector** in India is expected to touch **US\$200 billion by 2020** & India's **warehousing requirement** has grown at an annual average rate of **9% to 1,439 million Sq. ft in 2019** from 919 Sq. ft in 2014.

[Industrial Property]



1,439 million Sq. ft in 2019 from 919 Sq. ft in 2014.

How big are the problems?

If you are facing warehouse logistics problems, let us first assure you that you aren't the only one. **Out of every 100 clients**, we meet here at Bizongo, **at least half of them** mention challenges faced in their warehouse logistics operations.

Out of the many problems communicated to us, here are the **5 questions that come up most of the time**.



Expert Alert !!

We've got someone who knows the industry in and out & has just the answers you all need.
So, gear up & store these answers for efficient warehouse logistics!



REETESH SRIVASTAVA

MEET **THE EXPERT**

Reetesh Srivastava is an IIT, IIM graduate with 15+ years of cross-functional experience. He is currently positioned as Associate Director, Partner growth at Bizongo. He has earlier worked at leading organizations across industries like FMCG, Pharmaceuticals & Technology.

His work includes diverse functions such as supply chain, operations, sales & marketing. His varied experiences enable him to offer solutions to a range of warehousing & material handling problems. He is a domain expert that makes him take a proactive and customer-centric approach.

Read further to see what Reetesh has to say on the 5 most commonly asked questions on warehouse logistics. Learn how big brands have implemented the strategies he mentioned to get optimum results.



GET ANSWERS FOR...

OPTIMUM WAREHOUSE SPACE UTILIZATION.
HOW DO I DO IT?

RENTING VS OWNING OF WAREHOUSING EQUIPMENT.
WHAT'S BEST FOR ME?

STORAGE & HANDLING TIME REDUCTION.
IS THERE A WAY TO AUTOMATE THESE PROCESSES?

QUICK PRODUCT IDENTIFICATION & ASSET TRACEABILITY.
HOW DO I REMOVE MANUAL INTERVENTION HERE?

CUSTOMIZED MATERIAL HANDLING PRODUCTS.
IS IT SMART TO INVEST IN CUSTOMIZATION OF
MATERIAL HANDLING PRODUCTS?



REAL ESTATE, **REAL PAIN**

Q HOW DO I UTILIZE MY WAREHOUSE SPACE TO ITS OPTIMUM LEVEL?

As per Deloitte, **industrial real estate demand** is expected to increase by 850 million square feet, to **14.8 billion square feet, by 2023**. The **cost of capital** is expected to increase from 5.1 per cent at the end of 2018 to **6.4 per cent by 2023**.

This higher cost of capital would lower demand for warehouses, as both tenants and owners might then focus on increasing efficiencies of existing spaces. This is where the significance of space-saving comes into picture.

There are 2 optimal ways to save space in a warehouse -

- **Space Saving Material Handling Products** - Utilization of warehouse space can be done best by using products like foldable crates, nestable-stackable crates, FLC (foldable large containers), foldable cage pallets & likewise. These can be folded or nested when not in use will save considerable space in the warehouse.
- **Vertical Space Utilization** - In most of the warehouses, vertical space is not utilised properly and organizations opt for additional warehouses or more rented warehouses, which is an expensive proposition. Racking systems can solve this & cut down your capital requirements drastically. The kind of racking systems used will however depend on load and the way goods are stacked.

BRAND SPEAKS FOR THE SOLUTION -

A leading online grocery delivery service brand has moved completely from standard crates to nestable stackable crates.

Result? **70% space saved**. Reverse logistics optimized.

In another story, a brand **saved 1/3rd of warehouse space** by just installing a 4 level cost-effective racking system.

I WANT FREE CONSULTATION ON SPACE-SAVING!



YOURS OR SOMEONE ELSE'S?

RENTING VS OWNING WAREHOUSE EQUIPMENT? WHAT SHOULD BE MY CHOICE?

Purchasing warehouse equipment is a huge expense. Hence, you need to be absolutely sure of your requirements to select what is ideal for your purpose. Depending on whether you need the equipment for a short duration or a longer one, following are the points that'll help you figure out what's best for your business:

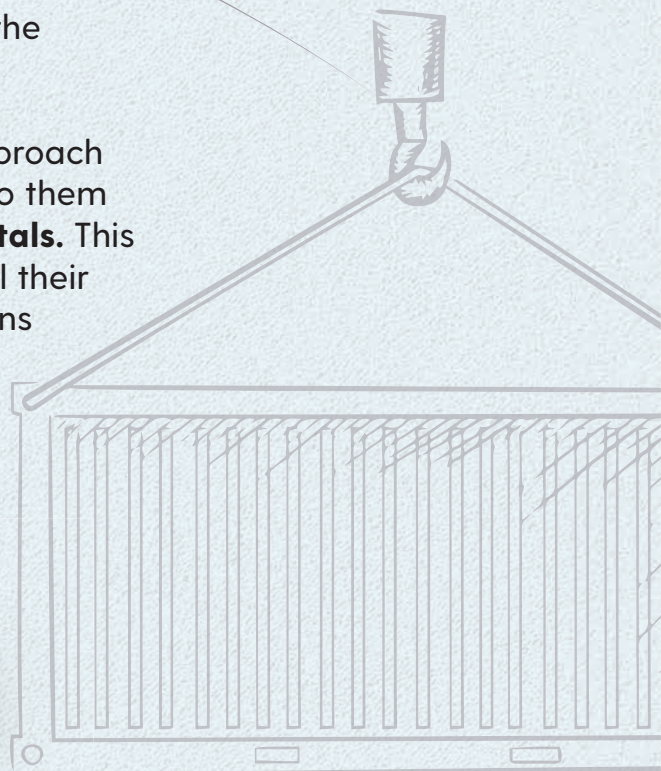
- Ideally renting as an option would be viable only if the project is to be run on shorter cycles of maximum up to 2 years. Also, if your business outlook isn't clear, renting is suitable for you.
- If the project timelines are longer, say 3-5 years, it makes more sense to buy the equipment. It'll surely pay back its investment in due time.

BRAND SPEAKS FOR THE SOLUTION -

A logistics & distribution company with a clear business vision of 5+ years serving 80+ locations PAN India was using the rental model which was turning out to be expensive.

As they expanded they moved from a rental based approach to a buy and operate model. The price range offered to them **ensured payback within 2 years vs their current rentals**. This helped them **lower their quantity requirements** for all their material handling needs, including racks, crates, dustbins and furniture requirements.

KNOW WHAT SHOULD BE YOUR CHOICE!



THE AUTOMATION DOMINATION

Q HOW DO AUTOMATED STORAGE & RETRIEVAL SYSTEMS HELP IN WAREHOUSE PROCESS AUTOMATION?

Automated Storage and Retrieval Systems are **automated systems** that efficiently and **securely store items** in a compact footprint. They also allow users to **easily and quickly retrieve items** when needed. [Kardex Remstar] Owing to reduced manual intervention the lead time for storage and handling is saved and chances of errors are next to impossible.

ASRS basically means warehouse efficiency. These are the major reasons why-

- Saves 85% of floor space
- Greater inventory control
- Labour requirements reduced to 2/3rd of the existing
- Faster throughput to fulfill customer demand
- 99.9% pick accuracy rates
- Safe & ergonomic environment for employees

BRAND SPEAKS FOR THE SOLUTION -

A well-known e-commerce brand uses an ASRS system in their warehouse which enables them to be **more efficient** than before which thereby helped them to **increase productivity considerably**. They were, however, finding it extremely difficult to find vendors which can provide stricter tolerances required for the ASRS system to work seamlessly. Packaging aggregators became their partner to fulfill their vendor requirements to finally end up with just the benefits that an ASRS is supposed to offer.

AUTOMATE MY WAREHOUSING OPERATIONS, NOW!



TECHNOLOGY TO THE RESCUE, **ALWAYS!**

**Q CAN I REMOVE THE MANUAL HASSLE INVOLVED IN
PRODUCT IDENTIFICATION & ASSET TRACKING?**

“

Good, bad or indifferent, if you're not investing in new technology, you're going to be left behind. - Philip Green

I stand by this quote. In warehousing, it's especially relevant. For a space that is humongous, there's a good chance to lose track of products in the warehouse or rather lose products altogether. There needs to be a simpler way to manage it. How? Technology!

Product identification and traceability implemented through technologies like RFID, barcodes & likewise ensures that

- All products can be identified at any stage in the manufacturing process
- Products can be traced back for control purposes.

BRAND SPEAKS FOR THE SOLUTION -

A fresh produce supply chain organization **lost 1.5 crores worth of crates in the span of 3 months!**

It was difficult to pinpoint the location of loss as they were unable to identify the counts at delivery centres as the count was being done manually and was thus unreliable.

After moving to RFID tagged crates, they were able to keep a stock of their products and also to track the stock counts moving between delivery centres. This helped them find which delivery centres were involved in maximum pilferage of goods and thus effectively resolve the issue.

I'M READY TO INCORPORATE TECHNOLOGY!



ASRS + RFID =



AUTOMATION SUPERSTAR

Keep track of where the product is placed on the racks to quickly reach the same when required as they are tagged and the data is present in the system. In the absence of this system, the only option is to take physical counts and keep a manual record of the movements which is a time-consuming process.

LET A BRAND TELL YOU THE STORY.

An online pharmaceuticals delivery brand faced inaccuracies and inefficiency in retrieval and storage. It was difficult to find particular SKUs amongst the **1000s of SKUs** stored in the storage system.

RFID tagged storage system which was linked to order numbers and thus **improved their retrieval speed significantly**. Also, at the same time inaccuracies related to products were reduced due to accurate data provided by the softwares.



MAKE ME AN AUTOMATION SUPERSTAR!

MY WAY OR MY WAY

Q SHOULD I CUSTOMIZE MY MATERIAL HANDLING PRODUCTS AS PER MY REQUIREMENTS?

Almost everything in the material handling category can be customised. The major drawback with customization in material handling, however, is that it's time-consuming owing to the involvement of moulds and tools. Additionally, any new development will also be expensive.

Nonetheless, the end result is beneficial in the long run compared to settling for the standard options forcefully which can lead to hefty losses.

BRAND SPEAKS FOR THE SOLUTION -

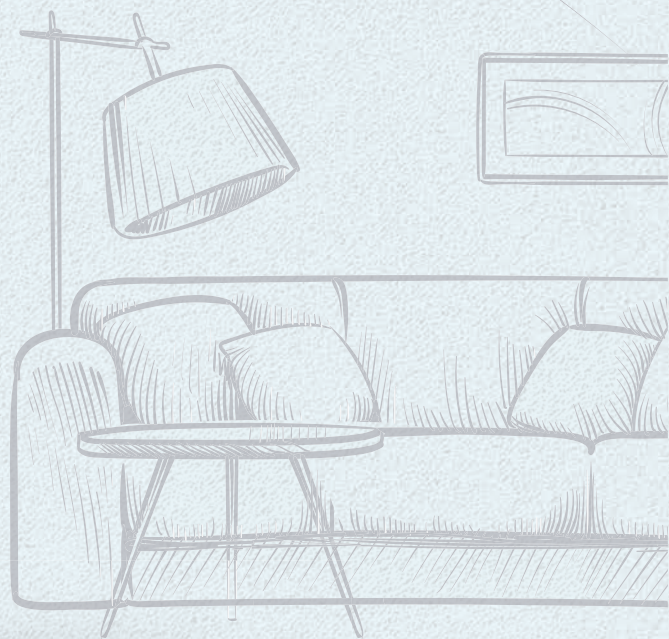
A logistics giant had an ASRS system installed which was not as per standard SKUs for Foldable container pallets. In non standard sizes, the prices were overshooting the budgets.

A customized roto pallet sleeve system, which was a cheaper version of foldable large containers, was the way to go. The value engineering in sleeves **reduced the cost per piece to half.**

In another case,

An online furniture delivery service was transporting furniture and the packing cost was 2-3%, which was discarded once the piece was delivered. They were looking to save cost in packing material without compromising on safe delivery.

A set of customized PP Boxes with sleeves and EPE Foams was used, which could be reused 8-10 times thus enabling **40% savings on packaging material costs** as well as ensuring 0 damage to the furniture.



GIVE ME WHAT'S BEST FOR ME. NOT WHAT'S AVAILABLE.

WORDS OF WISDOM YOU MIGHT WANT TO STORE

Decisions made for efficient warehousing & logistics are mostly strategic.

We get it.

Big industry has bigger challenges, as we said.

But we've got you covered.

If you are facing any of these 5 issues or rather any other packaging issue-

Drop an email on - marketing@bizongo.com

OR even better

Visit us at - [Mumbai](#) | [Bangalore](#) | [Gurgaon](#)

We'll be the happiest to have a conversation with you over a cup of tea/coffee!



OR

For **FREE consultation** from experts, call **9326722477**.

