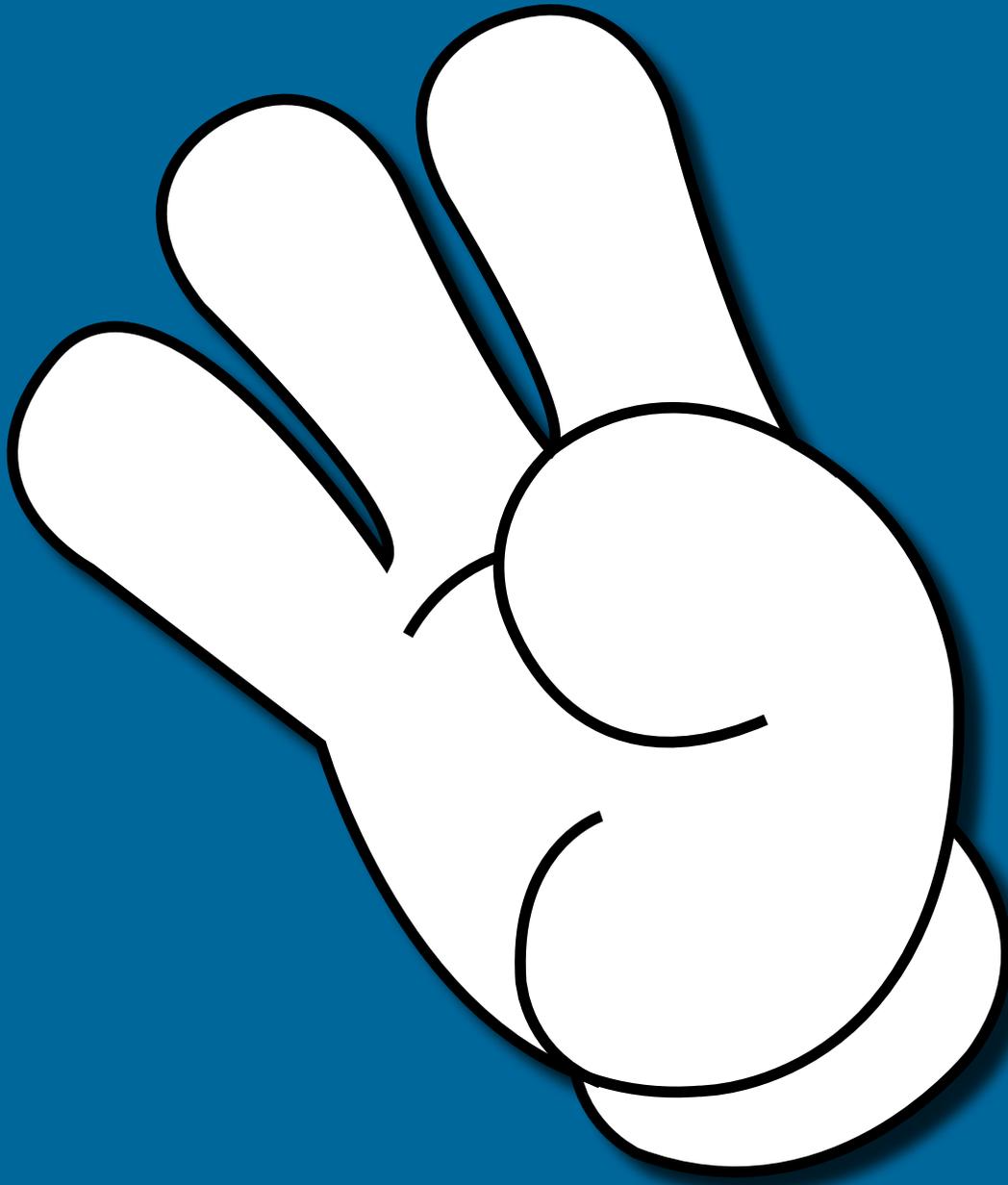


# 3 WAYS MOBILE SUPPLY CHAIN SOLUTIONS MAKE A DIFFERENCE



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## 3 Ways Mobile Supply Chain Solutions Make a Difference

Try to remember the days before ubiquitous smart mobile devices. They seem like prehistoric times now, but it was less than 10 years ago.

Back then, you probably had to go to the office or home to send an email. If you wanted to carry a phone, a map, a video game player, a portable music player, a flashlight, a book, a camera and a video recorder, you had to carry them separately. And, you needed a suitcase.

If you were a mobile enterprise, you were flying blind after your fleet left the warehouse. You had no visibility over your mobile inventory, no control over hard assets and no ability to track people or deliveries. You couldn't optimize your service routes. Drivers navigated with assistance from a two-pound book of maps that might – or might not – be up to date.

As for customers, well, they were in the dark, too. Service windows were four hours long, and companies had no way of responding quickly to changes in customer service and delivery requirements.

### Fast Forward: A World Gone Mobile

Fast forward to today. Ninety-one percent of adults in the United States have cell phones; 61 percent of them have smartphones, according to the latest research from the Pew Internet & American Life Project. That's roughly 140 million people, and growing every day.

Most enterprises, though, have lagged behind the curve when it comes to mobile resource management. According to the 2012-13 Mobile Resource Management Systems Market Study from C.J. Driscoll & Associates, approximately 5.5 million GPS or wireless devices – smartphones and tablets – are used to manage fleet vehicles.

Driscoll estimates that the segment is growing at a rate of 15 to 20 percent per year toward 9 million devices by 2015, but that will not come close to matching consumers' adoption rate.

There are several reasons enterprises have been slower to adopt mobile supply chain solutions. Driscoll's report blames the recession, in part, for slowing the growth of mobile resource management. A big factor, though, is many enterprise resource planning (ERP) providers have been slow to offer robust cloud services and true mobile-first solutions.

Today, as companies start thinking again about technology investments, new enterprise mobility solutions are starting to have an impact, through unprecedented transparency that delivers control, efficiency and a level of customer service not previously possible.



## Controlling Your Rolling Warehouse

The first and most valuable return on an investment in a best-in-class supply chain management solution is control. For C-level executives, the experience can be a revelation. A fog that has shrouded an organization is lifted, and decision-making is suddenly more informed.

For example, consider assets. Whether you deliver satellite television service or oil field services, much of your inventory rides with your fleet. Before mobile asset tracking, the only way to know the contents of those vehicles was to spend hours manually cataloging everything. Warehouse management by clipboard effort wasn't always practical, so organizations made the best decisions they could with limited information. The results, too often, mean a slowed business and poor purchasing decisions.

The same goes for employees. Without mobility in your fleet tracking, you exercise limited control. You lack the ability to adjust their routes. You don't know what deliveries they've made or how many are left. You have no ability to get them a new or updated customer order.

In the case of both assets and manpower, you lack control.

### **NOW LET'S TAKE A LOOK AT HOW THE DYNAMICS CHANGE WITH ENTERPRISE MOBILITY:**

- **ASSET TRACKING:** With inventory management, you can track multiple warehouses, truck inventories, job site inventories and more. Barcode and RFID automation ensures that the location and status of assets are accurately tracked and accounted for in real time. Back at the office – or even from home – managers can monitor all assets from one intuitive dashboard.
- **ACCOUNTABILITY:** Sadly, you have to factor in human nature when running a business. People steal. Assets get “lost.” However, when assets are tracked and your employees know it, people with sticky fingers tend to be deterred, and losses due to theft or sloppy practices evaporate. For those who are undeterred, the records your keeping will help find the bad apples faster. You also have real-time monitoring of arrivals, with to-the-minute data on what was on time, late or projected to be late.
- **BETTER CONTROL, BETTER DECISIONS:** With an accurate and up-to-date inventory that includes all the assets you have riding on trucks, you will make better purchasing decisions. You will also be certain that each truck carries the right assets to get the job done that day.

With 360-degree visibility of all assets, you are finally in control of your entire business, all the time. With control, you can start to discover inefficiencies you didn't know you had and, ultimately, drive revenue.



## How Mobile Warehouse Solutions Drive Efficiency

In the 1960s, system dynamics researcher Jay Forrester came up with a simple way of explaining supply chain problems to his students. He called it the “Beer Game.” Students were divided into four groups, each representing a different link in the supply chain: factory, distributor, wholesaler, retailer.

The aim of players is simple – to fulfill incoming orders for beer by placing orders with the next upstream party, and those orders are the only information that is exchanged.

The game’s typical result effectively demonstrates the “bullwhip effect,” where spikes in customer demand are amplified up the chain, causing all manner of inefficiencies, from too much (or too little) stock on hand, lost sales, poor service, poor use of capacity and loss of trust with both business partners and customers.

Modern resource management solutions have helped temper the bullwhip effect in some organizations, but too many don’t yet view their mobile inventory as a final extension of the supply chain. Inefficiencies abound.

### **SOME EXAMPLES OF HOW ENTERPRISE MOBILITY ERASES INEFFICIENCY:**

- **OPTIMIZED ROUTE SCHEDULES:** With automated route planning, driver capacity is optimized. Orders can be graphically scheduled through an intuitive drag-and-drop interface and immediately communicated to the technician. Drivers receive turn-by-turn instructions, so there’s less time wasted driving around or looking up directions. Because drivers can make more stops, fewer of them may be needed. And, service delivery windows can be shorter.
- **MORE EFFICIENT COMMUNICATION:** With on-demand wireless synchronization technology, service operators can be rerouted on command with new and updated work orders that include detailed instructions, time estimates and required materials.
- **IMPROVED RE-ORDERING PROCESS:** As service calls are made, customer records are updated in real time, giving you an immediate and comprehensive order status when the customer calls again.
- **LESS OVERSTOCK:** Success in business hinges on cash flow. By keeping stock at the optimum level, you gain flexibility to expand a product range, make a capital expense or even hire someone.
- **OPTIMIZED VEHICLE STOCK:** You can make sure vehicles have just what they need, meaning fewer disappointed customers and lost sales and fewer wasted trips back to the warehouse.
- **IMPROVED ACCOUNTING:** On your balance sheet, inventory is an asset that directly affects your P&L. A complete picture of your inventory, including your rolling inventory, makes accounting more efficient
- **LESS COUNTING TIME:** With real-time, automated inventory counts the need for daily, weekly or monthly counts is reduced or eliminated. Less time counting means more time growing the business.
- **MORE EFFICIENT USE OF WAREHOUSE SPACE:** Greater transparency across your fleet means you make better use of the space you have and potentially reduce warehouse costs.

## Happy Customer = Profitable Business

It's a long-established maxim in business that customer satisfaction drives success. If you serve them well, they will come back. To that end, mobile supply chain solutions help make happier customers by ensuring fleet technicians or delivery specialists are equipped with exactly what they need.

Let's start with delivery windows. We've all had to take a half-day or more off work to meet a mobile service technician or appliance deliverer. The four-hour window is a much-maligned (and deservedly so) part of American life. With optimized routes, however, the four-hour window can be shrunk to two or even less, and you'll be there when you said you would.

Drivers also can stay in closer touch with customers through integrated text messaging, email and phone notifications, meaning fewer instances of "we came by but you weren't home." In turn, you build trust and confidence in your brand.

Thirdly, you can react quickly when customers make a last-minute request for additional service or need to change the time for service. Again, integrated messaging instantly connects dispatchers to fleet vehicles and fleet vehicles to customers.

Lastly, service visits are less likely to be extended by the need to run back to the shop for out-of-stock items. Few things are more annoying than having to wait another few hours for TV service because a service truck wasn't carrying the right box or switch.

With a mobile supply chain solution, you're rolling with accurate, complete stock all the time. And if a technician unexpectedly runs short, you can easily and quickly redirect other assets in the field.

## Time to Act, Before the Competition Beats You to It

In concluding, let's think back on those days not so long ago, when nearly all fleet-based businesses operated in the dark, and consider how fast the world continues to change. As Driscoll's reported, enterprise adoption of mobile supply chain solutions is growing at a pace of up to 20 percent each year.

Given the demonstrated benefits of a mobility solution in added control, efficiency and customer service through maximum transparency, enterprises have little choice but to jump aboard, sooner than later. Every day lost allows the competition a little more edge in efficiency, a few more happy customers and a larger share of the market.

