



About Tesco Direct

- Tesco's site for selling non-food products
- Established in 2006

www.tesco.com/direct

Goals

- Extend the range of products offered to the customer
- Reduce complexity in supply chain
- Alleviate budgetary and administrative burden of customer follow-up enquiries

Approach

- Conducted six-month onboarding programme for direct-ship suppliers
- Created virtual warehouse for each supplier in MetaPack Delivery Manager
- Gave Tesco Direct customer service team full visibility into all virtual warehouses, carrier information and tracking details

Results

- On track to achieve 80% of its order volume coverage through MetaPack Delivery Manager
- Slashed response time to customer follow-up enquiries from days to 15 seconds

A reduction in order enquiry response time from days to seconds

Tesco Direct is the home of Tesco's range of all non-food items including electrical appliances, home furnishings, gifts and much more. The site makes it easy for Tesco customers to conveniently search and buy everything from televisions to tables to toys.

The challenge Demand and supply

While the grocery arm of Tesco uses an in-store picking model, Tesco Direct works with suppliers using a direct-ship model. In 2013, Tesco Direct was processing half a million orders a year through 126 direct-ship suppliers. Each supplier used its own fleet, range of carriers or third-party logistics company to coordinate order deliveries. On average, each enquiry from a Tesco customer required eight phone calls to formulate a response regarding order status. For Tesco Direct, this represented enormous administrative complexity, costing the company £1 million annually – or between £2 and £4 per order.

The solution Getting things moving

MetaPack conducted a six-month supplier onboarding programme that included online videos, documentation and live seminars. Each supplier was set up on MetaPack Delivery Manager, a web-based system integrated to all major UK carriers that enables companies to access, allocate, control and track any carrier service through one platform. Each carrier has its own virtual warehouse within MetaPack Delivery Manager, while Tesco Direct's customer service team has visibility into all virtual warehouses, all carriers and all tracking information.

The results So much the better

In deciding to partner with MetaPack, Tesco Direct gives its direct-ship suppliers immediate access to more than 100 UK carriers, resulting in more delivery options and greater convenience for customers. The single interface allows suppliers to take advantage of automated management of multiple carriers services, label production

"Tesco firmly believes that MetaPack is the right solution to help us all drive up standards and – of course – keep our customers satisfied."

Ed Osborne, Dropship Operations Manager, Tesco

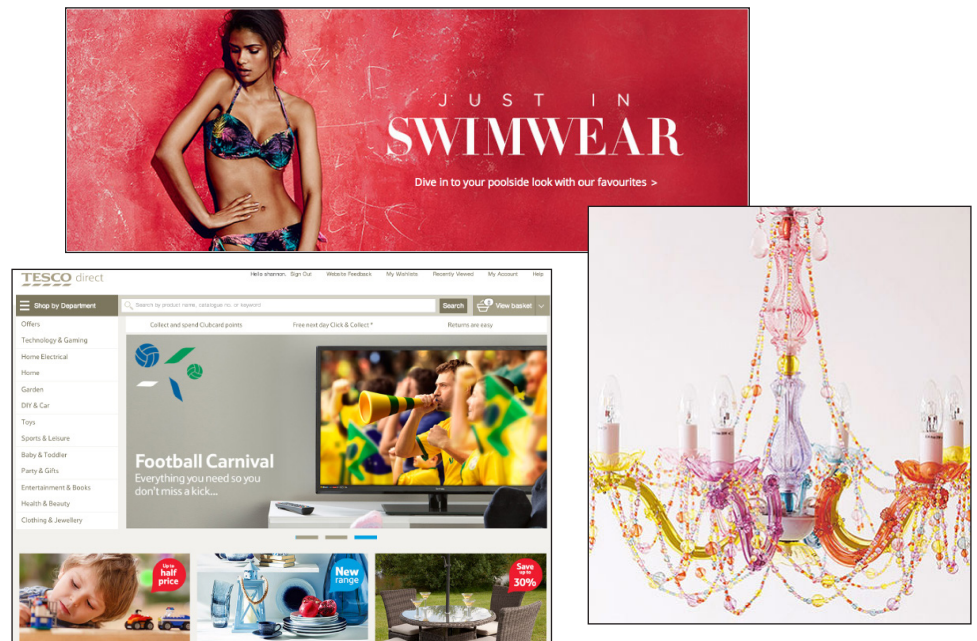
Products and services

- Direct from Supplier
- Delivery Manager
- Virtual Warehouse
- Customer Care

About MetaPack

Founded in 1999, MetaPack is based in London and Hamburg, with partners based all over the world. Our mission is to make eCommerce delivery more cost effective, convenient and enjoyable, wherever an order is made, wherever stock is held and wherever the delivery is required. The MetaPack platform provides the appropriate range of delivery options, identifies the most suitable carrier service for each deliver and provides visibility and control: these strengthen customer service, consumer loyalty and longer term carrier relationships. Supply chain processes are made more efficient, multi-channel and cross border solutions are more tenable. The MetaPack platform supports a more efficient market and furthers the growth of eCommerce.

through a uniform set of templates and carrier performance reporting. And because it's non-proprietary, suppliers can use the system in fulfilling their own orders as well, not just those for Tesco Direct.



Ed Osborne, Tesco Dropship Operations Manager, says the system has provided significant advantages to Tesco, its suppliers and customers. "The benefits of using MetaPack include the removal of manual entry into separate systems, the removal of human error in the selection of carrier services, the optimisation of printers and pack benches, the reduction of inbound customer service calls, and the increased efficiencies in dealing with those calls that do still come."

Tesco is on track to soon achieve 80% of its order volume coverage through the MetaPack platform. Meanwhile, the days of eight follow-up phone calls per average order enquiry are a thing of the past; it now takes Tesco Direct customer services on average 15 seconds to access all the tracking information required to answer customer queries about delivery.