



Case Study: Ingka Group, the largest IKEA retailer

Developing the Future of Retail Fulfillment at Ingka Group, the largest IKEA retailer with Made4net Software

Reshaping the retail industry with the next generation of retail fulfillment

In the past few years, the increased focus on ecommerce has had massive implications for retailers, including Ingka Group, the largest IKEA retailer. The changes in customer behavior with regards to where, when & how customers choose to purchase and receive goods has in turn led to a dramatic increase in the complexity of fulfillment operations.

The lack of “one accurate view of inventory” has been a consistent issue for retailers. According to leading analyst firm, Gartner, “Customers expect a unified experience that traverses easily between digital and physical, converges with mobile, social media and the Internet of Things; and can serve them however, whenever and wherever they desire. Retailers around the globe have been slow to adapt to this approach.”

IKEA has long been recognized as one of the more advanced supply chain organizations in the world. To meet the ever-changing customer needs, Ingka Group is on an omnichannel journey to optimize their fulfillment network to meet today and tomorrow’s customer expectations. As part of this, the company is changing how they interact with consumers in a more flexible and intuitive way to shop, order and receive products in a more simplistic and faster way. Enhancing the consumer experience is the driving force.

Finding the Right Solution: Made4net Omnichannel – contributing to optimizing the fulfillment network for Ingka Group, an IKEA retailer

Ingka Group recognizes the importance of a unified experience for their customers. Today almost 80% of all shopping journeys with Ingka start online. Additionally, the online share of customer orders continues to grow every year. (In FY23, 26% of total sales were online orders.). To create a seamless customer experience between online and offline shopping for their customers, the company is developing innovative ways to improve in-store and online support. Part of this includes redesigning the stores to act as multifunctional hubs to fulfill customer orders, offering various services (such as click & collect) to be more accessible and convenient, as well as enhancing capabilities for better accuracy, quality and visibility of inventory.



A rapidly changing world means rapidly changing needs and Ingka Group is renewing their business model completely. Every part of their business is being improved - from customer experience to how the company is structured with the aim to be more convenient and affordable for customers, while being more sustainable for the planet. This includes investing in new and existing channels, innovative store formats and digital platforms. In the mission of finding the best candidate for Ingka Group, an extensive selection process was made where Ingka Group selected Made4net. The flexibility and the uniqueness of the Made4net platform were key to Ingka selecting Made4net for its strategic digital supply chain transformation, including:

- 1. Robust Functionality on a flexible and adaptable platform:** Made4net offered a comprehensive set of highly configurable features, addressing Ingka Group's specific needs related to inventory management, order accuracy, and omnichannel integration. The adaptable platform provides the flexibility to evolve with the changing retail landscape.
- 2. Proven Track Record:** Made4net showed a successful track record in deploying order fulfillment solutions for organizations all over the world.
- 3. Adaptability & Scalability:** The ambition of Ingka Group and its transformational Fulfillment Management Solution initiative was aligned with the Made4net solution, including the ability to scale the solution to accommodate their omnichannel network and global footprint:
- 4. Shared technical vision that keeps pace with change.** With new and improved software, tools and data, Ingka Group's 40,000+ coworkers in fulfillment can better serve its customers, meeting the current and future business needs.
- 5. Integration:** Seamless integration capabilities with existing systems, including online platforms, inventory management tools, and point-of-sale systems.

As Ingka Group charts a course towards creating a better everyday life for the many and meeting their customers seamlessly across channels, Made4net's Omnichannel solution stands out as a pivotal step in transforming both the customer experience and internal operational efficiency. By seamlessly blending digital solutions, streamlined logistics, and an unwavering commitment to sustainability, Ingka Group is working with Made4net to deliver warehouse and fulfillment management capabilities that improve the experience for Ingka Group's 40,000 co-workers working in fulfillment, which serves all fulfillment operations and supports the omnichannel journey that Ingka Group is on. This will enable the co-workers to serve customers to IKEA in a faster and more accurate way.



Future Proofing Fulfillment Operations

Ingka Group will use the Made4net SCExpert platform to power its omnichannel transformation, ultimately driving the company's worldwide fulfillment across 482 stores in more than 30 countries. The transformation to a new system, ways of working and processes will optimize the omnichannel fulfillment network and help the company meet the changing needs and expectations that its 657 million store visitors and more than 3.9 billion online visitors have.

Made4net's software plays a crucial role in supporting the transformation of Ingka Group:

- 1. Inventory Visibility:** Real-time visibility into inventory levels across stores, ensuring shelf and store replenishment, accurate stock management and availability.
- 2. Order Processing Efficiency:** Optimizing order processing through advanced automation features, reducing errors and improving fulfillment speed and accuracy.
- 3. Omnichannel Integration:** Facilitating seamless integration between online and offline channels, providing customers with a unified shopping experience.
- 4. Adaptability:** The flexibility of Made4net's software allows Ingka Group to evolve its fulfillment processes in response to changing customer demands and industry trends.

Expected benefits include:

- **Seamless Shopping Experience with Integration Across Channels:** Made4net's omnichannel solution plays a central role in creating a seamless and consistent experience across all customer touchpoints. This integration ensures that customers can engage with the brand wherever, whenever, and however they desire, fostering a sense of continuity and reliability.
- **Internal Collaboration:** Made4net facilitates and contributes to seamless internal collaboration, ensuring that all co-workers have access to accurate and interconnected data. This interconnectedness streamlines processes, promotes better communication, and ultimately enhances the overall efficiency of Ingka Group's operations.
- **Real time inventory availability** – the Made4net solution will be integrated and provide a reliable source of data to improve the experience for customers in the store and online.
- **Customer Experience** - More flexible, accurate, timely shopping that is customer-centric and based on customer preference, no matter how they want to shop and receive their purchases.



- Improved Co-Worker Experience: Co-workers at Ingka Group working in fulfillment will benefit from digital tools with more accurate, reliable and interconnected data. This will provide:
 - o Streamlined processes, co-workers can focus energy where it matters most.
 - o The new solution will enable a simpler learning process as part of the daily work
 - o Co-workers will be able to track orders and pick products guided by the new solution in a simpler way – one example could be by visualizing the most efficient picking path.
 - o Co-workers will feel supported with smoother digital workflows in every-day work (such as automatically prioritizing and optimizing tasks).
 - o The new solution will, for example, visualize the most efficient picking path within the unit, which makes it easier to track orders and pick products.

The Future of Retail Today

As Ingka continues its journey to becoming a leader in omnichannel retail, the collaboration with **Made4net** represents a pivotal step in their evolution. By embracing innovation, diversifying retail formats, and leveraging advanced omnichannel software, Ingka is poised to deliver the IKEA of tomorrow, today. This transformative approach not only meets the changing needs of customers but also solidifies the company's position as a visionary leader in the retail industry.

MADE4NET is a leading global provider of best-in-class, cloud-based supply chain execution and warehouse management software for organizations of all sizes to improve the speed and efficiency of their supply chain. The company's end-to-end **SCExpert™** platform is adaptable, configurable and scalable to provide maximum **Speed-to-Pivot™** for ever-changing supply chains.

Made4net solutions provide real-time inventory visibility, labor management, and equipment productivity with performance analytics that drive faster, more accurate order fulfillment and improved throughput. In addition to their industry renowned **WarehouseExpert WMS**, the platform offers modular components like integrated yard management, dynamic route management, proof of delivery and warehouse automation solutions that deliver true supply chain convergence.



Contact the experts at Made4net to learn how our supply chain solutions can help you overcome your supply chain challenges.

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