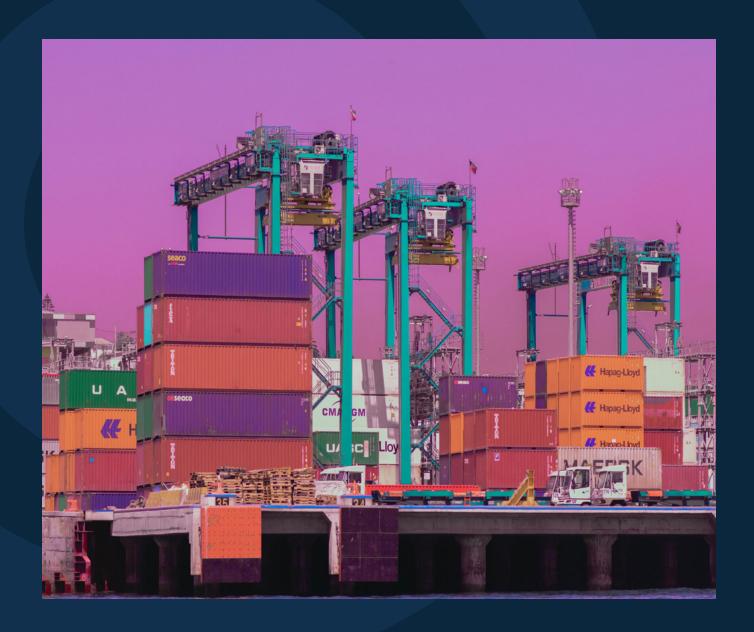


# Why email is the secret to a stronger retail supply chain

How to improve communication from manufacturing to the consumer's door.



## Minimizing retail supply chain disruptions

Still having nightmares about the supply chain insanity of the 2021 holiday shopping season?

Take a deep breath. It's over.

Good. Now... let's start getting ready for 2022.

Not only did supply chain challenges threaten to be the Grinch over the holidays, but the crisis also caused headaches for retailers and consumers all year long, and it continues to do so.

Of course, we all know the culprit. The seemingly never-ending COVID-19 pandemic wreaked havoc on the global supply chain, causing shortages, shutdowns, and congested ports.

While we're certainly living in unprecedented times, the past couple of years have been a wake-up call for many retailers. Perhaps the biggest lesson is that **communication is key**.

Email is so ubiquitous, it's easy to forget the role it plays in keeping things moving and staying in touch with supply chain partners and consumers.

Email is an unsung hero of marketing and communication, and it's also a secret weapon that can help you avoid supply chain disasters.

Let's take a closer look at how email automation helps retailers overcome supply chain challenges and how you can use it to improve your brand's communications.



#### What caused supply chain disruptions?

Hear from Johnathan Torres of Mailgun by Sinch as he explains some of the factors that led to the 2021 supply chain crisis.

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#### Step 1: Getting products made

The retail supply chain is complex and extremely interconnected.

You can't fill warehouses and store shelves with goods unless manufacturers make them. And manufacturers can't create your products without the raw materials they need for production.

Whether it's a scarcity of computer chips, food products missing from grocery stores, or a lack of at-home COVID-19 tests, retailers need to know about shortages as soon as possible so that they can prepare and adjust.



## How email can help

Manufacturers adhere to strict production schedules and missing the mark could be very problematic. That's why suppliers and manufacturers must be in constant communication. And what does every person you do business with have? You guessed it – an email address.

If a manufacturer knows when to expect important parts or materials that are in high demand, it can plan accordingly and notify others further down the supply chain, including retailers. Email provides an ideal channel for direct as well as bulk communication between supply chain partners.

Manufacturers can use email communication to let individual retailers know about the status of an order, or let a large number of retailers know about potential supply disruptions.



#### Manufacturer-to-retailer email communication

**Subject Line:** Order Update (Manufacturing Delay)

**To:** Jane Doe, Head of Procurement, Retail-Mart, <jdoe@retailmart.com>

From: ACME Manufacturing

Dear Jane,

Thank you for your recent purchase order #65067 of 500 units of ACME Widgets.

Unfortunately, due to congested ports and an inability to deliver raw materials to our facility, the processing lead time has increased. As a result, the manufacturing of your order is slightly delayed.

Your order will now be ready to ship on the following date:

Order Number: #65067

Completion Date: March 16, 2022

ACME appreciates your patience during this time and we regret any inconvenience. We will continue to update you on changes. Please contact your account manager for more information.

Regards,

The ACME team



## **Step 2: Moving products to market**

After products are manufactured, there's still the challenge of getting shipments delivered to the retailers who are anxiously awaiting their arrival. And what a challenge it is.

Around the world, there are major shortages of two crucial supply chain elements: shipping containers and truck drivers.

The problem with shipping containers is that almost all of them are made in China. And many of the containers that exist are stuck in congested ports waiting to be moved to market.

A lack of truck drivers was a big issue before the pandemic, and it's only gotten worse. In the US, where 72% of goods are moved by truck, Transportation Secretary Pete Buttigieg is making trucker recruitment a priority. But there's a lack of drivers in Europe, too. It's an especially big problem in the UK. That's thanks in part to the impact Brexit had on the ability for drivers from other countries to get back into Great Britain.



#### How email can help

Email marketing could be an excellent tool for shipping companies that need to recruit drivers. But more pressing for retailers is the need to know where their products are and when they'll be able to get them in stock.

Carriers can easily use email to notify shippers and retailers about potential transportation delays. These communications can even be automated if systems are integrated. Then, certain events or data points may be used to trigger emails to supply chain partners.

Email can do much more than communicate delays. For example, integrating email solutions into a Transportation Management System (TMS) streamlines communication around everything from bids and invoicing to compliance and rate changes.



#### Automating supply chain communication

Jonathan Torres tells us why email automation is key to updating supply chain partners and consumers.

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## Shipper-to-retailer email communication

Subject line: Shipping Notification for Order #65067

To: Jane Doe, Head of Procurement, Retail-Mart, <jdoe@retailmart.com>

From: Longhaul Logistics, <notifications@longhaulog.com>

Dear Jane,

Unexpected severe weather conditions in the Rocky Mountains have resulted in transportation delays. This notification is to inform you of an updated delivery date:

**Order ID:** #65067

Delivery Address: 1699 Blackhill Blvd, Somewhere, USA

**Expected Delivery Date:** March 23, 2022

To track your order, please log in to the Longhaul Logistics <u>customer portal</u>. Longhaul takes shippers' needs very seriously. Rest assured, we are doing everything we can to expedite the delivery. Please call your dedicated representative or reach out to shipper services with questions: **1-888-555-3219**.

Sincerely,

Longhaul Logistics



## Step 3: The retail experience

The reality of the 2021 holiday supply chain crisis wasn't quite as disruptive as expected. Retail Dive reported on a late December meeting of President Joe Biden's Supply Chain Disruptions Task Force, which painted a more optimistic picture.

At the time, the group presented stats indicating significant improvements, including 90% on-shelf availability at retail stores. That's only 1% lower than pre-pandemic levels. However, <u>USA Today</u> reports that food shortages are leaving shelves empty in many grocery stores.

Consumers also continue to make shifts toward more online shopping. Adobe predicts that ecommerce spending in the U.S. to top \$1 trillion for the first time in 2022. And when people order things online, they expect in-stock products and fast delivery.



#### How email can help

There's no telling what could cause supply chain disruptions for retailers. If it's not a pandemic, it could be inclement weather events or a major product recall. One thing is for sure... empty shelves are not a good look.

Brands can use email to provide retail partners with merchandising guidelines to help maximize in-store display strategies. Brands and manufacturers can also segment their email lists by region to communicate effectively with retailers in certain locations.

Online retailers can integrate automated emails with ecommerce and inventory platforms. For example, if shoppers have products sitting in their cart, and inventory is running low, a cart abandonment email can urge them to take action.

Retailers can also use email marketing to manage customer expectations. Knowing that popular products might be hard to find ahead of time is better than placing an order and getting disappointed.



#### **Ecommerce email communication**

**Subject line:** Want this, Joe? Inventory is running low **To:** Joe Brown <joe.brown@emailaddress.com> **From:** Retail-Mart Online <updates@retailmart.com>

Hi Joe,

We noticed you have an ABC Widget in your cart but didn't complete the order. **Inventory for this popular product is running low**. So, we wanted to let you know that we're holding it for you for one more day.

If you don't complete the purchase, it will be automatically removed from your cart on February 21st.

Thanks so much for shopping with us, Joe!



#### Step 4: Fulfillment and delivery

We've arrived at the last leg of the supply chain – getting goods into the hands of consumers. Unless they purchased a brick-and-mortar location, shoppers will assume their online orders will arrive on time (whether it's home delivery or ship-to-store).

In a world where two-day shipping is completely normal, expectations are high. But even a minor supply chain hiccup could delay final delivery. Research from <a href="ShipStation">ShipStation</a> indicates 77% of consumers expect to be notified about shipping delays.

That's an expectation email can help retailers meet and exceed.



#### How email can help

While flashy marketing emails get much of the glory, it's those all-important <u>transactional emails</u> that truly create a positive customer experience. Order confirmations and shipping updates build trust between retailers and consumers. When people don't see a confirmed purchase in their inbox, they start to worry. And they expect to be able to track their packages.

Retailers obviously need a reliable way to deliver these emails to their customers. You don't want these communications getting lost in spam folders.

There are also ways to enhance transactional emails and improve the inbox experience. That could include personalizing the messages to create an authentic connection with customers. Plus, the rise of <u>dynamic content</u> provides an opportunity for retailers to update order status and tracking inside of the email itself.



#### **Email and customer communication**

Jonathan Torres describes the advantages of using email to set customer expectations during supply chain disruptions.

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#### Retailer-to-consumer email communication

Subject line: Joe, Your order is on the way!

**To:** Joe Brown, <joe.brown@emailaddress.com>

From: Retail-Mart Online <shipping@retailmart.com>

Hi Joe,

Good news! Your order #34599 is out for on-time delivery.

#### Expected delivery date: March 4th, 2022



Preparing Your

Out for delivery

Delivered to

**Order contents:** ABC Widget (1)

**Order total:** \$199.99

**Delivery address:** 345 Easy Street, Any City, USA **Delivery date:** Wednesday, March 4th, by 9 pm EST

**Shipping Method:** UPS

Tracking ID: 987XRT7865Q11

View order details

We'll be sure to let you know if anything changes.



#### Take retail email to the next level

Supply chain communication is far from the only way email supports a strong retail marketing and communication strategy.

It is a privilege when a consumer gives you access to their personal inbox. Choosing the right partner for email solutions helps protect your most important relationships – the ones you establish with loyal customers.

Mailgun by Sinch is trusted by thousands of brands, including major retailers like Anheuser-Busch, Etsy, Pinterest, Squarespace, Lyft, and Microsoft. Mailgun provides a variety of tools and solutions for email. That includes a flexible, easy-to-integrate, email API as well as email deliverability services, in-depth email analytics, and ways to manage and monitor your sender reputation.

Schedule a Demo

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Over 100,000 companies worldwide use Mailgun by Sinch to create elegant email experiences for their customers through world-class infrastructure. Brands like Lyft, NHL, TrueCar, and Dell trust Mailgun's innovative technology and reliable infrastructure to send billions of emails every year. Built with development teams in mind, Mailgun makes sending, receiving, and tracking emails effortless for email senders of all sizes.

For more information, please visit www.mailgun.com