6 Tips for Protecting Brand Reputation Throughout E-Commerce, Supply Chain and Delivery Processes

It's a simple truth: if a customer has a delivery or quality issue with a purchasing experience from your company, they may be reluctant to buy from you again. And as a result, they may turn to an alternative brand, which obviously won't help increase new sales or repeat business for your company.

But as simple as this truth may appear, there's often still a disconnect between a brand's reputation and core supply chain processes. Business leaders need to recognize how the process of manufacturing, designing product packaging, or even delivering products to doorsteps can impact a customer's impression of a brand. Because at the end of the day, the entire buying experience is the first – and arguably the most – crucial opportunity for a brand to shine in the eyes of a new customer.

There are seemingly infinite parties involved in supply chain processes today. In fact, a study from Armstrong and Associates found that an estimated 80% of Fortune 500 companies, and 96 of the Fortune 100 companies, use outsourced logistics partners in some form. Many brands hand off assembly work to companies overseas, or they outsource processes to shipping and distribution centers across the country. A large majority give their packaged products to delivery companies to distribute, who in turn often outsource delivery themselves (especially during busy holiday seasons or if the delivery destination is in a rural area).

While outsourcing makes supply chain operations feasible and allows companies to better scale, it puts your company's reputation in the hands of third parties. And the more third parties involved in the supply chain process, the more danger there is of a cascading effect of mistakes by one or more outsourced participants in the chain.

Given the ever-increasing number of third parties involved in today's typical supply chain processes, companies need to prioritize that the correct level of care is given in all stages of consumers' buying experiences. To instill feelings of delight and satisfaction from customers and to protect your brand's reputation through the e-commerce, supply chain and delivery process, the following concepts are key:

1 INCORPORATE YOUR SUPPLY CHAIN INTO YOUR BUSINESS STRATEGY.

Chances are your business strategy involves leveraging your company's core competencies to achieve a certain goal or revenue figure. Your business strategy also probably leverages analytics to include data-driven decisions about what products to offer, when to distribute them and in which markets to sell them. As your business strategy represents the overall direction of your company, your supply chain should mirror that direction and support that overall strategy. After all, your supply chain is responsible for the actual operations of your business, and it defines how you need to operate in order to compete. Rather than focusing solely on managing your supply chain from a purely operational standpoint, consider your supply chain as an iterative process and continually ensure that it aligns with your company's current and future goals. Bringing supply chain managers together to work with your sales and marketing, human resources and other historically siloed departments will make mapping your supply chain strategy to your overall business strategy easier and more habitual.

2 CONSIDER THE NEEDS AND EXPECTATION OF DIFFERENT REGIONS.

Designing and executing a supply chain that can economically deliver the correct product, in the correct configuration and at the preferred point of purchase is a great first step. But some products come with a set of expectations that may vary depending on geographic region or sales channel. Companies need to integrate postponement and multi-channel distribution capabilities to provide the most flexibility to meet customer demands and support product variations with lower inventory.

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Also, ensure your packaging design, product promotions and rebate programs, customer support and returns processes are designed with all customers in mind, no matter their location.

3 RE-EVALUATE YOUR COSTS AND OUTSOURCE OBJECTIVELY.

Ideally, companies shouldn't work with any outsourced partners until they first understand their own logistics costs. Unfortunately, some companies simply offload their problems and shift responsibility to outsourced partners, refusing to be involved with the detection or decisions required to resolve problems and improve performance issues. A desire to simply cut costs or reduce head count shouldn't be the sole incentive for outsourcing, either. Because by simply outsourcing your company's problems or pure lack of visibility, your partner relationships and resulting supply chain performance will suffer, and even worse, your customers risk receiving subpar experiences from your brand. Take a step back. Re-evaluate and continually ensure you understand the costs associated with your own e-commerce, supply chain and delivery processes. That way you can not only better select appropriate third parties to work with moving forward, but you'll also serve as better partners to those outsourced parties, given your understanding of your own needs.

4 BUILD INTEROPERABILITY WITH THIRD PARTIES.

The best way to keep an eye on all the outsourced partners participating in your e-commerce, supply chain and delivery processes is to work only with partners that are willing and able to communicate and share data. Take this scenario for example: Tracking small packages can be managed via simple bar code scanning and visibility into the systems of overnight shipping companies. However, the majority of goods sold are delivered via trucks, cargo trains or even boats and these vehicles can't be tracked as easily. For these larger shipments, most companies lose visibility when the door of the vehicle closes. They're left blind – much like their customers – as to where the product is or if/when it will be delivered. By partnering only with transportation carriers that offer sharable GPS capabilities – or outsourcers that work with such companies, you can ensure real-time tracking and automate the communication between you and your partners.

5 OFFER CONTINUAL CUSTOMER VISIBILITY.

Outsourcing parts of your e-commerce, supply chain and delivery processes can be a wonderful resource because it allows your company to focus on its core competencies. It's essential, however, to constantly monitor your outsourced partners very closely. While using metrics to monitor these third parties is valuable, many companies rely solely on these internal indicators of performance (e.g. inventory levels or cost savings). Instead, implement metrics that are visible to your customers, like on-time delivery or overall customer satisfaction scores. Ensure your customers can check their order status information via the web at any time. Offer reasonable delivery time frames that customers have the option to modify. Conduct follow-up surveys with a select number of buyers to determine how you're faring and to garner customer loyalty for future purchases.

6 PROVIDE OPTIMAL CUSTOMER SERVICE BEFORE, DURING AND AFTER A SALE.

A customer's experience with a brand is made up of both big and small interactions. It can include navigating through an online store, or the wait time needed to reach customer support, or even the ease of opening product packaging. The success of your company isn't solely dependent on low costs or whether or not you were first to market. Rather, it's about understanding consumer needs, setting appropriate expectations and consistently meeting or exceeding those expectations at every touch point before, during and after your hard-won sale. Perhaps the most important time to support your customers is when something goes wrong, so be sure to foster a customer-centric delivery, support and returns environment, in particular, in order to avoid negative brand experiences and ensure life-long customers.

A customer's purchasing experience should always be a positive representation of your brand. From shopping online, to tracking a purchase's delivery, to opening product packaging, customers should notice the quality and consistency of your brand. They should feel supported and valued by your company, even if a large majority of your e-commerce, supply chain or delivery processes are outsourced.

There are literally millions of different stores consumers can purchase products from, so it's never been more crucial to maintain a stellar brand reputation. By recognizing that a brand's image is impacted by core supply chain processes and by ensuring that the outsourced components of customers' buying experiences are given proper attention, companies can build exceptional customer loyalty, increase sales and thwart competitors.

For more information, please contact us to discuss how ModusLink can help your company protect its brand reputation throughout the e-commerce, supply chain and delivery processes.

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ModusLink Corporation, a wholly owned subsidiary of ModusLink Global Solutions Inc. (NASDAQ: MLNK), is a global, omnichannel technology and fulfillment provider that gives clients real-time visibility into their end-to-end supply and demand chain operations, with expertise and facilities worldwide to manage forward and reverse logistics. The company's operations are supported by more than 25 sites across North America, Europe and the Asia/Pacific region. For more information, please visit www.moduslink.com and www.valueunchained.com, the blog for supply chain professionals.

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