

Same-day delivery solution

Chemist Warehouse launches new same-day Click and Deliver solution in response to the record peak of online orders during COVID-19 for 1.5 million weekly customers.



Snapshot

Company	Chemist Warehouse
Industry	Pharmacy Retailer
Number of Employees	8,000
Weekly Customers	1.5 million
Körber Competency	Voice, Vision and Mobility
Solution(s)	Click and Deliver

Complexity

Chemist Warehouse needed to respond to the record peak of online orders during COVID-19 for 1.5 million weekly customers.

Best practice

Körber's Click and Deliver solution resulted in a same-day delivery service for customers that is flexible and convenient.

In response to the changing demands of consumers and a record peak in online orders during COVID-19, Australia's largest pharmacy retailer, Chemist Warehouse, has teamed up with Körber to launch a same-day delivery service for its 1.5 million weekly customers.

Established in 2002, Chemist Warehouse has grown to become Australia's largest pharmacy retailer. Operating more than 500 stores across the nation, the leading retailer now services more than 1.5 million customers and dispenses almost a million prescriptions per week.

Since COVID-19, Chemist Warehouse has experienced a huge increase in online orders, reaching higher levels than previous Black Friday and Christmas peaks.

As a result, the retailer has launched Click and Deliver, a new same-day delivery service from Chemist Warehouse and Körber to offer customers flexible and convenient delivery options. The new solution will complement the retailer's previous sophisticated Click and Collect offering.

Click and Collect across
450+
stores

2hr
fulfilment
from stores

Increase the
order throughput
rate and capacity by
50%



“We wanted to ensure that we could offer our customers the safest possible option to shop during COVID-19 restrictions. We knew that for many they felt it was a risk to leave their homes and shop in the traditional way, so we approached Körber to help us develop our existing Click and Collect solution to become a Click and Deliver solution,” Mark Finocchiaro, Managing Partner and Director, Chemist Warehouse Group said.

The solution was developed in four-weeks by Melbourne-based technology provider Körber and the first stage has been rolled out across all of Chemist Warehouse’s stores in Australia, with New Zealand set to follow.

Chemist Warehouse and Körber have worked together since 2017, with Chemist Warehouse deploying Körber’s dedicated retail software, Ignito, to power its Click and Collect processes.

Since Chemist Warehouse introduced Körber’s Ignito software solution in 2017, the retailer has increased order fulfilment throughput rates by up to 30 per cent and has since used the software to fulfil up to 150,000 online orders a month.

In order to gain faster fulfilment times, Körber developed a solution whereby the picking and packing of online orders is done in store, instead of from a central distribution centre (DC).

“Chemist Warehouse stores are unique in that they tend to be very large facilities and hold a huge amount of inventory. We recognised that this created the perfect opportunity to fulfil orders in store, rather than from a DC.”

Rizan Mawzoon
Head of Transformation,
Körber Supply Chain APAC

“This kind of fulfilment is on the rise as e-commerce continues to take up a larger percentage of the retail spend. We knew this kind of approach would work very well for Chemist Warehouse and we’re absolutely thrilled with the results.”

Nishan Wijemanne
Managing Director of Körber Supply Chain
Asia Pacific and global leader for AMR Solutions,
Körber

When a customer selects an order on the Chemist Warehouse website or app, the Chemist Warehouse Order Management System (OMS) will check the stock levels in the stores closest to that customer to fulfil the order.

The app will also profile the consumer and recognise if they have previously visited or ordered from a particular local store.

“The system then sends a message to the store inventory team and communicates which orders are for Click and Deliver, and which are for Click and Collect” Rizan said.

“We recognise the critical role that we play in keeping Australians healthy and giving them access to essential goods for the benefit of their health. We knew we needed to come up with a solution that reduced anxiety and risk for the most vulnerable members of our communities. Körber rose to the challenge and we are proud to be able to keep serving our customers with flexible and convenient delivery options,”

Mark Finocchiaro, Managing Partner and Director, Chemist Warehouse Group concluded.

