

# ACHIEVING OMNICHANNEL SUCCESS: ESSENTIAL SUPPLY CHAIN CAPABILITIES FOR NORDIC RETAILERS

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## ABSTRACT

The growth of e-commerce has led to a seismic disruption in the retail industry, but success has not been evenly distributed. Amazon's retail revenue grew from \$33B in 2010 to \$294B in 2020 while many brick-and-mortar retailers struggled to develop viable e-commerce capabilities [1][2]. During this time, some sizable retailers have ceased business operations while others have struggled to integrate online sales into their operations with consequent drops in revenues and profits

Making the fundamental shift to an omnichannel model necessitates retailers to transform longstanding order fulfillment operations to achieve cross-channel integration and meet consumer requirements for speed, availability, and consistency. To better understand this transformation, a burgeoning stream of SCM research investigates various dimensions of omnichannel order fulfillment. Ongoing research is needed to enhance our understanding of omnichannel fulfillment.

The study was conducted as part of a 2021 Fulbright Finland Foundation grant at the Hanken School of Economics' Humanitarian Logistics and Supply Chain Research Institute (<https://www.hanken.fi/sv/institutioner-och-center/institutionen-marknadsforing>). It analyzes the development of omnichannel fulfillment capabilities among Nordic retailers. The research targets fulfillment strategy and tactics through the following research questions:

- What are the critical roles of technology, operational processes, and talent in enabling Nordic retailers to achieve omnichannel success?
- How do financial, technological, and physical barriers impede the development of Nordic retailers' omnichannel fulfillment capabilities?
- How can Nordic retailers overcome these barriers to establish the omnichannel fulfillment capabilities needed to profitably satisfy consumer demand?

Exploration of the rapidly evolving omnichannel fulfillment environment in Nordic countries relied upon a mixed-methods research approach. The sequential deployment of these methods includes:

- Review of the literature about omnichannel fulfillment practices.
- Semi-structured interviews with SCM executives representing retailers, product manufacturers, and logistics services providers.
- Online survey of the retail supply chain community.

This mixed-methods approach is useful for studying complex phenomena like omnichannel fulfillment. It also helps generate deeper insights into the research questions.

Key findings from the interviews and survey analyses will be presented at the Western Decision Sciences Institute 50<sup>th</sup> Annual Meeting.

**Keywords:** Fulfillment, omnichannel, e-commerce, supply chain

## REFERENCES

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