Hyperlocal Fulfillment 101

Hyperlocal fulfillment is increasingly becoming an important driver of customer experience success as fast delivery, pickup options and sustainability are being interwoven into the fabric of B2C and B2B fulfillment.

A number of different strategies for store fulfillment now exist, but vary greatly in scope, complexity and cost. To help bring clarity to this emerging trend, we've put together a list of non-warehouse fulfillment strategies.

Retail Store (including stockroom)

Distribution Center

Basic Store Fulfillment

Technology required:
Order Management System (OMS)

How it works:
An in-store fulfillment process performed by store associates whereby items are retrieved as needed from store shelves or the stockroom.

Ideal for:
Retailers and B2B distributors with retail locations.
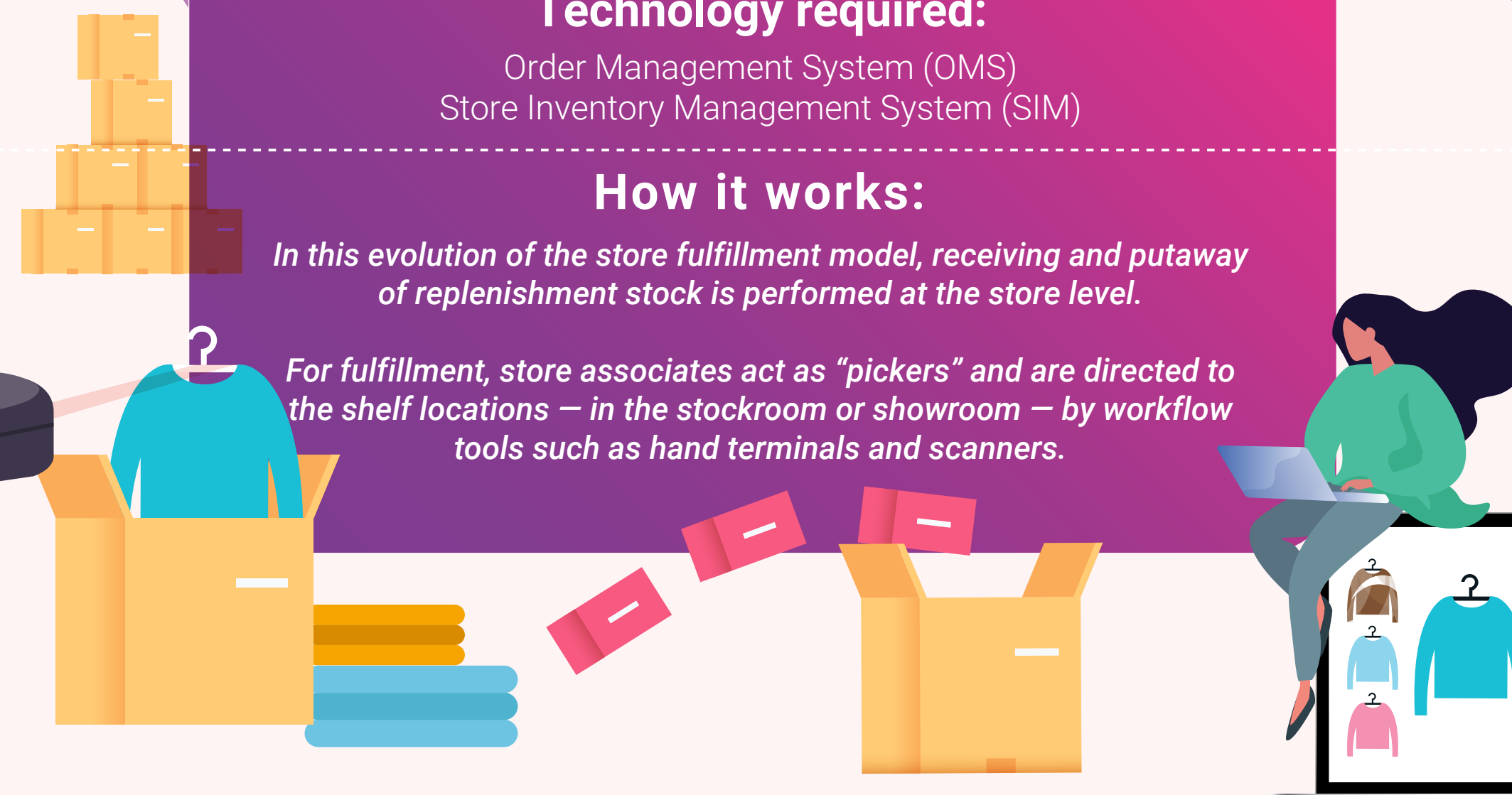
Store-as-warehouse

Technology required:
Order Management System (OMS)
Store Inventory Management System (SIM)

How it works:
In this evolution of the store fulfillment model, receiving and putaway of replenishment stock is performed at the store level.

For fulfillment, store associates act as "pickers" and are directed to the shelf locations — in the stockroom or showroom — by workflow tools such as hand terminals and scanners.

Ideal for:
Department stores, big-box retailers and warehouse stores.
Retailers that want to use stores as fulfillment centers and eliminate/significantly reduce dependence on warehouse operations.
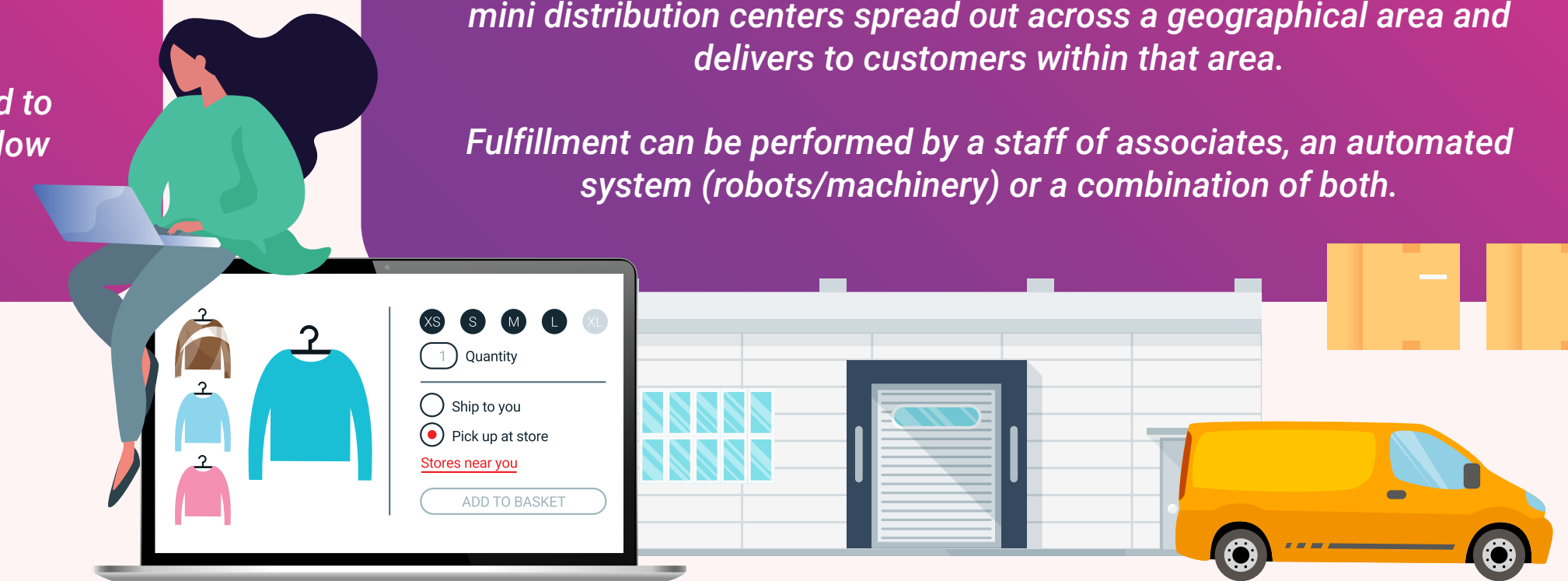
Micro-fulfillment

Technology required:
Order Management System (OMS)
Warehouse Management System (WMS)

How it works:
A fulfillment model in which a distributor or retailer manages multiple mini distribution centers spread out across a geographical area and delivers to customers within that area.

Fulfillment can be performed by a staff of associates, an automated system (robots/machinery) or a combination of both.

Ideal for:
Distributors with multiple customers across a large geographical area that require regular or fast fulfillment.
Retailers with a very high volume of e-commerce orders that contain small and medium-sized items.

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