

# CAS B2B



UNIVERSITÉ DE SHERBROOKE

**PRÉSENTÉ PAR :**



**RÉDIGÉ PAR :**

Anthony Brouillette, Rédacteur, Université de Sherbrooke  
Ana Dragović, VP Académique Happening Marketing  
Étienne Moreau, VP Académique Happening Marketing

## **Who is Wiptec?**

Since its foundation in 2002, Wiptec has specialized in the preparation and shipping of Pick-Pack-Ship orders for a large number of businesses and industries. It operates in several different fields such as retail, wholesale and e-commerce. Its operations are divided as follows: 50% of its activities are carried out for the B2B sector and 50% for the B2C sector. This means that its operations must be accurate, fast and of high quality for the different clients. Over time, Wiptec has solidified its brand image by shipping for giants such as Amazon, Walmart and Costco. Their core mission is to help businesses take advantage of changes in the marketplace. Partner satisfaction is crucial and is therefore at the heart of Wiptec's business strategy. This is why the values of passion, commitment and teamwork are among the most important within the organization. Although the head office is located in Sherbrooke, they have built a brand new preparation center in Longueuil. With its state-of-the-art facilities and equipment, the company is able to ship more than 200,000 orders per week, with a surface area of 1,250,000 square feet. With goals of doubling its sales every year, Wiptec aims to ship 1,500,000 orders per week with a total surface area of 2,300,000 sq. ft. in these 2 centers.

## **Services offered by Wiptec**

### **B2C order preparation**

B2C orders are prepared to be accurate, fast and personalized. Great investments have been made in recent years in the services offered to consumers in order to meet the growing demand of online commerce. More than 25,000 orders are shipped every day with an accuracy rate of over 99.8%. One of the major advantages is the customization of each solution offered to the customer. This includes customizable assets such as: packaging, literature and marketing materials. The primary mission of B2C orders is to personalize and satisfy each and every customer request in order to achieve maximum retention.

### **B2B order preparation**

Although individual consumers are at the heart of Wiptec's business strategy. We must not forget the vital importance of businesses such as boutiques, stores and department stores. Wiptec offers complete and individual order picking with an accuracy rate similar to B2C, i.e. 99.8%. Personalization is also applicable for the different requirements of these retailers.

### Inventory management, orders and returns

In addition to being recognized for its good customer management, Wiptec also distinguishes itself by its excellent order management. We are talking about all the steps involved in the preparation of a package, from storage to returns management. When it comes to inventory and warehousing, Wiptec ensures that it complies with several requirements and demands of the market. First of all, the lot numbers and expiration dates are fully traceable to ensure the customer has complete control and insight into the process. Then, they make sure to follow the FIFO (first in first out), LIFO (last in first out) and FEFO (first expired first out) exit strategies to ensure a good inventory turnover. Of course, a complete management of serial numbers is ensured by the company. Subsequently, since Wiptec sends packages destined for several distinct markets, they have made sure to have a certified environment so that all food products are under control. This means ensuring that the food is stored according to the required temperatures and humidity levels. For the inventory count, they use the proactive cyclic inventory count without stopping the operations. Then, when it comes to packaging and assembling orders, Wiptec makes sure to offer a full range of kitting services. Kitting means that they take care of everything so that the packaging is according to the “kit” requested by the customer. Whether it's traditional assembly, point-of-purchase display and merchandising assembly, labeling, repackaging, promotional sample packaging or custom labeling, Wiptec does it all. Of course, no service is complete without excellent returns management. The current system allows customers to have a real time status of returns tracking, in addition to several accurate and detailed automated reports.

### **The various Wiptec advantages**

#### The facilities and the different partners.

As previously mentioned, the company has decided to increase its production capacity by building a new shared-order center in Longueuil. With a surface of 1.7 million square feet, this center will add 800 employees to the 400 already at Wiptec, in the next 3 years. In addition to helping the local economy, this center will increase the production rate to 200,000 cartons per day, which will add up to nearly 75 million per year. They work in Canada, the United States and even around the world. The use of this carrier has several advantages for Wiptec and its partners, including cost reduction, simplification of activities and management of customer operations.

### Cutting-edge technologies

Wiptec uses a WMS (warehouse management system) that greatly facilitates the production process. Their system provides batch control; order accuracy, inventory, picking and shipping; a digital portal and executive reporting. The WMS is also integrated with a multi-carrier shipping system called Proship, which facilitates transportation management. This system allows for the optimization of carriers to limit costs, facilitate tracking and consolidate freight. Subsequently, the WMS in place allows for great flexibility in adapting to different ERP and business software (SAP, Salesforces, etc.). In addition to the WMS, several other state-of-the-art equipments are used to facilitate the different production processes. Here are the most important ones:

- Infrastructure RF (radio frequency)
- Automated conveyor networks
- Picking tours
- Fingerprint scanners
- Sampling modules
- Mobile computers mounted on the arm
- Sampling by light signals
- Wire-guided forklifts

In addition to ensuring an efficient and inexpensive system for customers, Wiptec ensures that it contributes to sustainable development by offering a paperless environment. All this is possible thanks to the use of RF infrastructures such as robotic arms, optical finger readers, etc.

### Customer Flex

It is not uncommon for order picking centers to experience fluctuations in order volumes. To overcome the inconvenience of these fluctuations, Wiptec uses the Weekly Forecast, rolling over 30 days, which allows it to meet the demand within the desired timeframe. This strategy allows the workload and the hours of the 400 or so employees to be well balanced in order to meet production targets, which can vary. In particular, it provides a 20% margin of flexibility in relation to demand. Thus, it is possible to avoid a labor surplus when demand is low and a labor shortage when it is high.

### **Your mandate**

Thanks to the new preparation center located in Longueuil, Wiptec wishes to use these new facilities to acquire a larger quantity of micro-customers and make them benefit from the various Wiptec advantages. It is important to understand that a micro-customer is a customer who does not have a large volume of sales online (less than 200 orders per week), but who may have some sales volume in store. The company wonders how it can put forward a complete B2B strategy that will allow them to acquire and retain this new clientele. They want to put forward all the Wiptec

advantages that were presented to you, in order to convince potential customers to turn to their services. This strategy will also have to take into account the channels and media to be used in order to properly communicate this offer. What will be the web positioning linked to your strategy? What pricing options would be most interesting? What resources should be put in place to implement your strategy? How do you present the Wiptec offer in order to attract these micro-clients to do business with them?

There is just the change that doesn't change; Think outside the box.

### **Things to consider when developing your strategy**

- Wiptec has no budget constraints, so your budget must be in line with your strategy.
- The company's objective is to maintain its current growth rate, i.e. to double its sales every year until at least 2028.
- When it comes to retaining current customers, things are going well at Wiptec. Many potential clients approach the company on their own and current clients often tend to renew their agreements with the company. Retention is therefore not a major challenge. This can be explained by the fact that the costs associated with changing companies in the field are expensive. The only observable difficulty is related to the retention of the largest customers, since they go back to tender at the end of each contract to find the cheapest distributor.
- The inventory management is done on the same inventory management system that is used on all existing channels (wholesalers, retail, e-commerce and marketplaces). Since Wiptec holds one large inventory for all of their customers' warehoused products, the company manages it and sends out adjustment files (EDI) that allow the customer's inventory to be updated so that the customer knows the current status of his inventory.
- As far as communication and management channels are concerned, Wiptec operates according to an omnichannel strategy. The strategy must therefore take this aspect into account in order to offer the greatest possible fluidity.