

2017 Fulfillment Trends

2017 online sales are expected to reach at least \$427 billion, an 8% increase from last year. As demand continues to rise, online retailers are constantly looking for ways to evolve and optimize their fulfillment operations. Here are some of the biggest trends that are going to affect fulfillment this year.

Technology

Technology will continue to advance the efficiency of online order fulfillment through increased product tracking capabilities and the introduction of augmented reality.



96% of retailers will tag products with Radio-Frequency Identification (RFID) technology to track items and pallets more accurately in fulfillment centers



Fulfillment centers will invest more in internet of things (IoT) technology to predict and correct inventory outages, damaged equipment and safety hazards



Augmented reality will be used to help workers in fulfillment centers find products faster

8 Billion

8 billion tags will be purchased this year vs. 6 billion in 2016

100%

The technology is growing at 100% per year

Omnichannel

As more retailers adopt omnichannel strategies, fulfillment channels will expand and become less centralized.

48%

48% of retail CEOs are incorporating buy online, pickup in-store services in the next year



Brick-and-mortar stores will double as fulfillment centers to pack and ship orders



60%

60% of retailers expect an increase in orders fulfilled from stores

Subscription-box services

There are currently more than 2,000 subscription-box services on the market and more are expected to pop up as retailers are looking for ways to make their demand more predictable and stable.



3,000%



Subscription box site visits have grown 3,000% between 2013 and 2016

\$40 Billion

More traditional retailers will add subscription-box services, which are expected to generate \$40 billion this year

Shipping

Customer shipping expectations will continue to force faster and cheaper fulfillment and delivery.

80%

80% of online shoppers want same-day shipping and 61% want shipping within 1-3 hours

90%

90% online shoppers say free shipping is the strongest incentive to shop online

76%

76% of shoppers will add more to a cart to qualify for free shipping

Online retailers are investing more in drone delivery possibilities



Drones will help Amazon save an estimated 80% in last-mile shipping



73% of shoppers are willing to pay extra for drone delivery

What trends will your fulfillment center follow this year? No matter which ones you decide to carry out, make sure you have the right labor to help with the changes and stay competitive in the growing market.