CASE STUDY

One-stop shopping helps loyalty company meet its retail clients' needs



Challenge Summary

Since its founding in 1987, Netherlands based Nebus Loyalty has been a leading one-stop loyalty provider, operating throughout the pan-European playing field.

During the recent economic downturn, the company's transportation and logistics manager was unable to increase staff, while balancing the management of sourcing from locations in China for a diverse and large number of clients, each of which required handling of multiple projects, often simultaneously.

Services & Technologies Used

Ocean, Air and Inland Freight Stripping Containers Warehousing Pick n Pack Track and Trace



The Challenge

Nebus Loyalty is currently active in more than 15 countries, including Austria, Belgium, Croatia, Czech Republic, China, France, Germany, Hungary, Italy, The Netherlands, Poland, Portugal, Russia, Slovenia, Spain and Switzerland. The company manages all areas of loyalty expertise under one roof: marketing and intelligence; creative services; web development, purchasing and production; data mining; customer contact centers; and warehousing and logistics. Nebus's client base is extensive, spanning many sectors and some of the largest companies in Europe, including major supermarkets, stores, gas stations, and other retail enterprises.

The company provides items such as collectibles and giveaways for retailers to use with their customers. Many of the items are for children - however, ensuring the merchandise reaches the stores on time with no problems is certainly not kids stuff. Deadlines are non-negotiable with zero room for error. The lean staff situation only complicated matters.

Mr. Walther Merckx, Transport and Logistics Manager for Nebus Loyalty, looked for one provider that could handle every step of the transportation process for multiple projects from China to its end customers' stores and supermarkets. A resource that could provide customized solutions to meet his company's own demands and those of its clients.

The Solution

Because Nebus Loyalty specializes in developing tailored programs and services that create and strengthen its clients' relations with their own customer bases, the company looks to its own resources to enable them to do just that.

Mr. Merckx's priorities during his search for a provider included the ability to handle tight deadlines and deliver a high quality level of service. "Since logistics is always on the end of the workflow, the time pressure is intense," he said.

Merckx explained that he and Bob van Buren, PSA BDP's Regional Director, North Europe, had kept in contact over a seven-year period. During the selection process, he contacted van Buren and asked if PSA BDP could manage the entire transportation and logistics process for his company.

Van Buren: "Of course, we said yes. We knew Mr. Merckx wanted a reliable outside resource. I had often shared rates, ideas and possible business solutions. This was our opportunity to demonstrate our capabilities."

The loyalty program business is project-based, Merckx emphasized. The timeline for each project is compressed and moves fast. Deadlines, keeping to agreed-upon schedules are critical.

PSA BDP books containers in China through its offices in Shenzhen, Hong Kong, Ningbo and Shanghai and manages the shipments to Rotterdam. The offices are in close contact with the vendors and also arrange bookings to Rotterdam. Mr. Merckx and Van Buren set up workflows for each end customer. "We manage the deadlines and KPIs of each project. We adjust to the client's requirements," van Buren said. We had handled projects for retailers in Germany, Holland and France and is currently looking at cargo destined for retailers in Russia, Spain, Italy and Mexico.

For the Dutch and German markets PSA BDP also handles palletizing and European distribution to Nebus Loyalty's clients, including one store chain in Germany, which has 320 locations. PSA BDP divides the goods from the containers and manages all deliveries to the stores until the end of a specific loyalty promotion.

The transition to PSA BDP was completed successfully. The first project they handled required ocean and air freight, brokerage, warehousing and distribution for the second largest retailer in Holland. PSA BDP shipped 200,000 kilos of air freight and 25 40-foot containers from Hong Kong to warehouses in Amsterdam and Rotterdam. Instead of moving the freight to Nebus's end-customer's distribution center for distribution, PSA BDP made everything ready at shop level, which meant every shop had its own order in terms of number of cartons and products.

"We had to take in consideration all the requirements of the end customer in relation to the height and type of pallets, plus layer shrink-wrap. We prepared hundreds of different pallets," van Buren added.

"[The team] handles every aspect of transportation and logistics for Nebus Loyalty and saves us a lot of time," Mr. Merckx said. "The weekly overview of shipments is very helpful: booked, ADDs, ETAs, palletizing and delivery plans. I check to see that we are on track. If there is a potential schedule issue, [they] anticipate and take care of it."

One project for an in-store promotion involved shipments of a special product, which was stored in PSA BDP's warehouse in Rotterdam. "[The team] did a very good job - occasionally the schedule was so tight, they had to work on the weekend until very late at night. They did it without asking," Merckx said. "They said, 'don't worry, we will do it."

Dedication Means Everything

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When asked to define one of the most beneficial elements of the Nebus Loyalty/PSA BDP relationship, Mr. Merckx said, "Dedication. To get an answer to anything, we only have to call our contacts - they know and do everything for us, which is just perfect. In addition, they also have a complete overview of what is going on - they always know where we are at any time. They frequently call to ensure everything is OK. After the completion of a project they often call to ask how did we do, what can we improve? All employees are very dedicated. In addition, the wrap-up meeting after each promotion helps us improve processes."

Van Buren agreed. "We are truly dedicated to Mr. Merckx as a customer and to Nebus Loyalty as a company. We make it happen: weekends, at night, whenever - we will do



Improved decision-making through expanded supply chain visibility and event management

Enhanced information flow with end customer and customs

Effective management of the international order fulfillment process for all China-sourced materials Instant access to cost and performance metrics accross supply chain

Focus on core competency of value-creation for end client through enhanced customer service

it without question. We execute what the client wants. We have proven ourselves since day one'" he said.

What are the primary capabilities Mr. Merckx looks for in the selection of a transportation and logistics resource? "One-stop shopping is important...to make it easier. We also want a provider that looks for solutions. Just like [the team] does." Merckx said.

"And of course, punctuality of shipments, which gets back to reliability and dependability," Mr. Merckx added. "[They] are very reliable. On-time is critical to our shipments because of our own clients' deadlines. Their clients are retailers who need their merchandise precisely when they need it for their customer base. Everything is based on when a marketing promotion campaign is going to begin. You see television and print advertisements, it's on the radio - often a massive marketing campaign behind it, organized by the retailer."

"It is a Nebus Loyalty product we are delivering to the retailer. You can imagine how important it is. With [the team], we do not have any problems," Mr. Merckx said.

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> -Walther Merckx, Transport and Logistics Manager, Nebus Loyalty

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