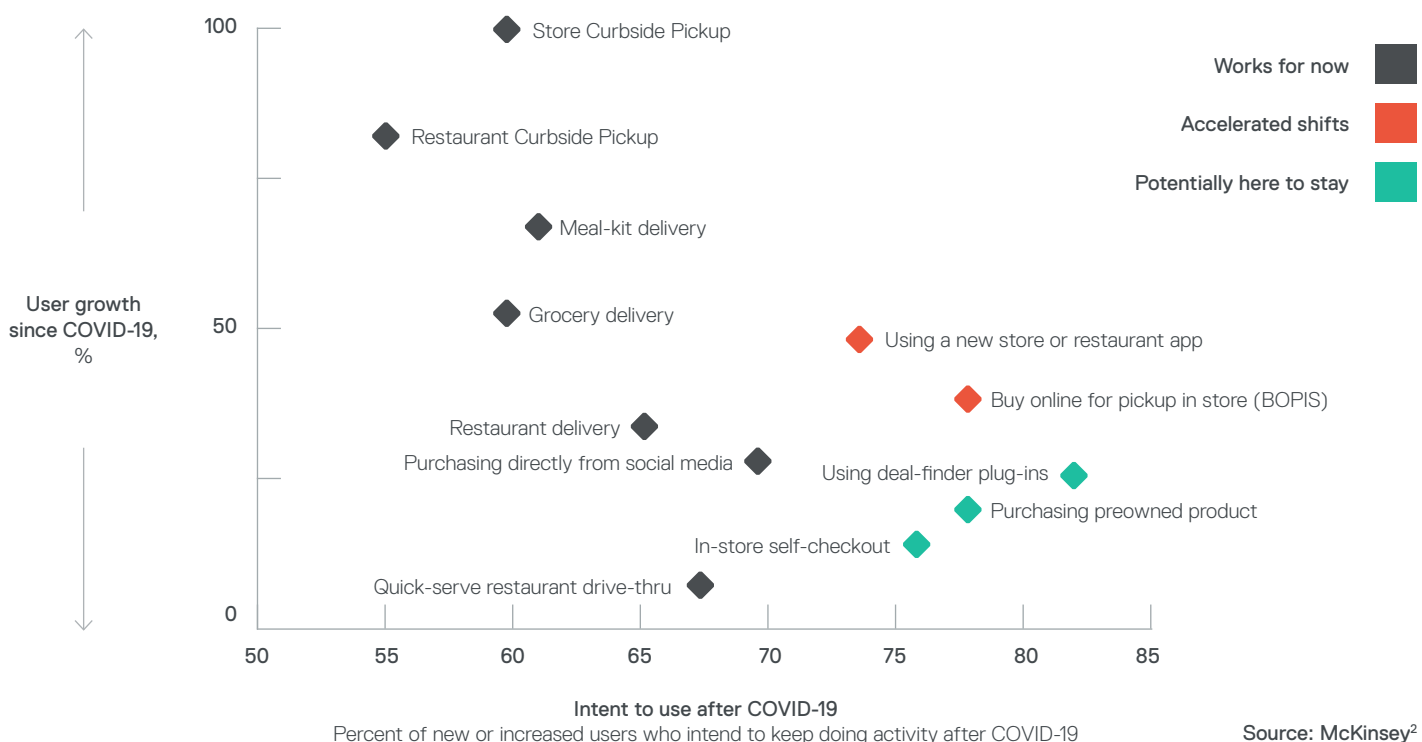# Curbside Pickup

As technology becomes more widespread, clear-cut divisions between our online and offline lives become blurry. Companies are finding exciting new ways of better serving their customers by making use of hybrid applications that combine digital and analog touchpoints in their purchasing journey. Often, it is exactly in these grey zones where a lot of potential and opportunities for differentiation lies. Having a technological architecture that allows for experimentation and quick reaction to changing circumstances is the condition of possibility to experiment and profit from this potential.

In specific sectors, the Curbside Pickup model has been growing steadily for some years now. Already in 2019, Gartner placed omnichannel commerce through models like Click&Collect [Curbside Pickup] as one of the most important e-commerce trends.[1] However, the disruption that COVID-19 created in the way people can shop has taken the Curbside Pickup model to a new level.

Many consumers intend to continue newly acquired habits even after the crisis is over.

User growth since COVID-19, %

Works for now
Accelerated shifts
Potentially here to stay

Store Curbside Pickup
Restaurant Curbside Pickup
Meal-kit delivery
Grocery delivery
Using a new store or restaurant app
Buy online for pickup in store (BOPIS)
Restaurant delivery
Purchasing directly from social media
Using deal-finder plug-ins
Purchasing preowned product
In-store self-checkout
Quick-serve restaurant drive-thru

Intent to use after COVID-19
Percent of new or increased users who intend to keep doing activity after COVID-19
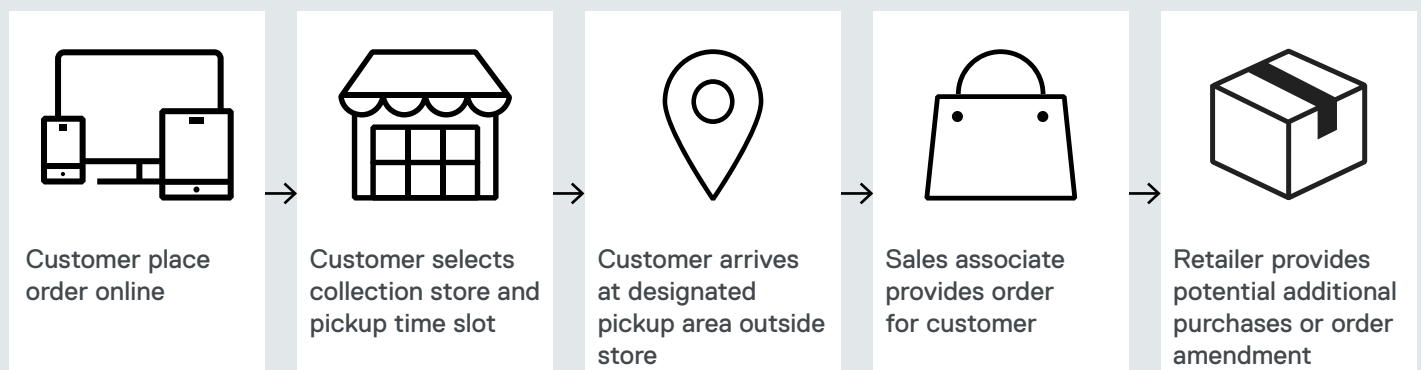
Source: McKinsey[2]

Just in Q2 2020, **Target** reported growth of in-store Curbside Pickup of **60%** and an incredible increase of drive-up sales of **700%**.[3]

- According to a survey by McKinsey, store Curbside Pickup in the United States has grown almost 100% since the start of the pandemic.
- In the US, 18% of consumers motivated by the pandemic, tried Curbside Pickup for the first time.[4]
- 64% of the respondents reported intending to keep using Curbside Pickup after the normalization of the situation.
- According to data from Adobe Analytics, in the United States the Curbside Pickup orders increased by 208% between April 1 and April 20 compared to the previous year.[5]

What exactly do we mean by Curbside Pickup?

The Curbside Pickup trend is one of the paramount hybrid applications that combine online and offline touchpoints to provide added value to customers. The idea is that customers can order products from an online shop and pick them up in some physical location (physical shop, warehouse, third partner store, parking lot). Although the main principles from Curbside Pickup sound simple enough, the specificities of business models, regionality, and types of products pose big challenges for companies.

Curbside collection process

| Customer place order online | Customer selects collection store and pickup time slot | Customer arrives at designated pickup area outside store | Sales associate provides order for customer | Retailer provides potential additional purchases or order amendment |

Source: Gartner[6]

Benefits of Curbside Pickup

Increase in customer satisfaction

Customers are happy to get even faster deliveries and decreasing costs. This model ensures satisfaction from time-pressured consumers: it combines the efficiency of online shopping with quick delivery while eliminating the stress of long waiting times or frustration with delivery carriers.

High levels of trust in customers

Curbside Pickup is a very convenient model for skeptical users. Customers can inspect the product at the delivery point, thus still ensuring a high level of trust.

Development of an omnichannel strategy

Retailers gain from being able to reach customers through a multiplicity of touchpoints both online and offline. Being able to easily reach customers through different points and responding to emerging channels give companies a unique advantage.

Safety and efficiency

Especially in a pressing situation like the COVID-19 pandemic, retailers can improve safety standards and serve their customers more efficiently. Being able to plan in advance the number of people that show up in the store can be crucial. By using the slot systems, shops can ensure that the regulations are met and waiting times minimized.

Easier management of stock

Customers place a lot of value in reliable information about the stock in a store. Curbside Pickup service helps companies better plan the type and number of products that their clients demand in a particular timeframe.

Driver of additional sales

The Curbside Pickup system has also been proven to be a driver of additional sales. According to Emarketer, once in-store, 85% of the people reported making additional purchases when picking up an order.[7] Moreover, Curbside Pickup customers have an 11% higher basket value than home delivery customers.[8]

Facilitate shipping and reduce its costs

Reliability in the delivery of the product is one of the main determinants of customer satisfaction. The last step in the product's journey from the warehouse to the customer's doorstep, known as last-mile delivery, is usually the most challenging and costly part for online shops. Curbside Pickup helps retailers by eliminating this step altogether thereby reducing up to 28% of the total transportation costs[9] and ensuring that customers know exactly when they can count on their purchases.

Companies need to understand that customers have very high expectations from a Curbside Pickup system. According to Gartner, "retailers are struggling to launch or scale existing curbside offerings to keep up with consumer demand."[10] Customers' loyalty heavily depends on the whole experience they have through their purchase and pickup. Having the right system to ensure the smoothness of the process is crucial. Some important expectations that online shops should keep in mind are offering:

– Quick in-and-out experience

– Reliable information about the availability of products

– Efficient queuing system with minimum waiting times

– Easy-to-find pickup locations.

The Spryker Solution for Curbside Pickup

In Spryker we were prompt to recognize the potential that the Curbside Pickup model has for our clients. Our Curbside Pickup system is planned to effortlessly adapt to the specificities of the most varied business models and complex settings. For example, our system can easily handle stores that operate in multiple regions and branches which can differ in product offering, stock levels, or prices. Our goal is to bring the digital experience to physical stores. Its multiplicity of features supports companies in giving a smooth customer experience and supports employees in various areas to efficiently perform their jobs. Moreover, our system is designed to allow very quick implementation (within weeks) and swiftly react to any unexpected changes.

Advanced Curbside Pickup features:

Multi-store capabilities. For those businesses that operate many stores, even in multiple regions, the Spryker system allows very detailed configuration to operate them either independently or in context. This means that they can share stock or have their own stock. Product assortment and prices can be set independently.

Support for store branches. Store branches are managed based on geodata. For densely populated areas, customers can freely choose among different stores to place orders.
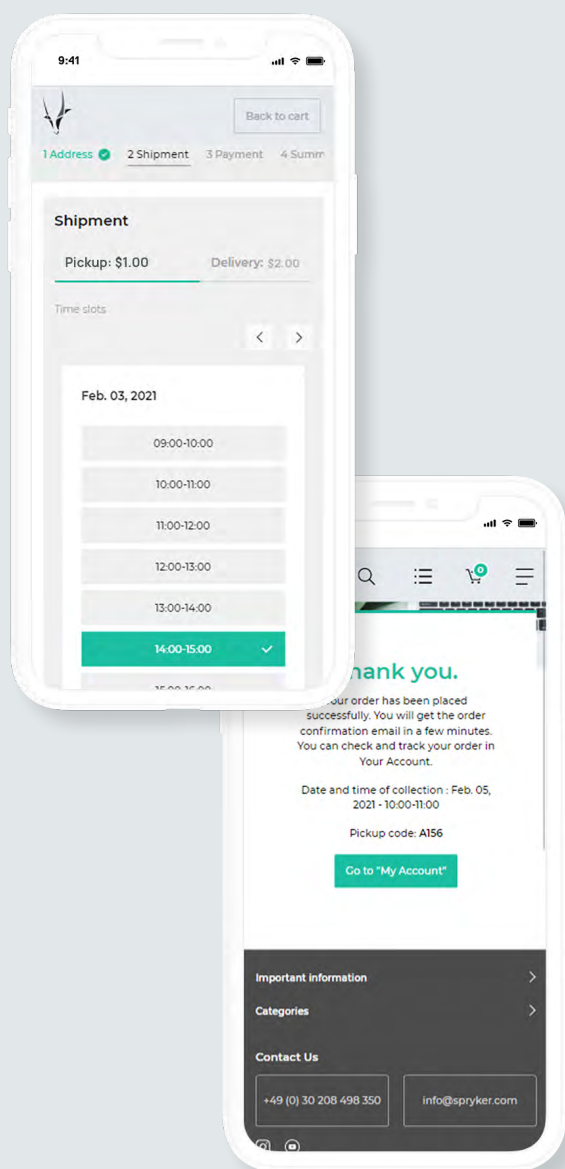
Unique pickup code. Once the customer has completed checkout and chosen the Curbside Pickup option, a unique alphanumeric code will be generated and automatically sent in the confirmation email. The code serves as easy identification when the customer picks up the order.

Time slot for service methods. Your stores can offer time slots for customers to pick up their products. The smart functions allow shops to easily control the number of incoming orders and ensure safe and easy pickup in the physical locations.

Mobile app for picking. We developed a specific mobile app to make the process of picking up the products reliable and efficient. For example, the system helps determine the best picking route taking into consideration that every store has a different layout and product location. Pickers can easily record the exact number of products found (for example, if they only picked 9 out of 10 packages because the 10th wasn't available) and the number of bags required for packing. Any changes in the order are automatically saved.

Mobile app for collecting. Another specific mobile app ensures a smooth picking-up process. Upon arrival, the customer can verify the order by sharing the unique code. Partial cancellation is possible in case the customer rejects one or more items from the initial order and an automatic refund is triggered.

Importer. Easily import business logics and data, such as product information, customer base, categories, and many more into the Spryker Cloud Commerce OS.

Globus

Founded over 190 years ago, Globus is a leading family company in Germany in the grocery sector with over 46,000 employees. Globus came to Spryker looking for an urgent solution after their Curbside Pickup provider went bankrupt. With a 2-week timeframe, the situation was especially dire since this all took place during the COVID-19 pandemic. Globus customers heavily relied on the Curbside Pickup service for their day-to-day shopping.

"

At the beginning, I didn't believe that a go-live in 2 weeks was possible. But the most important thing is that everyone involved has the will to do it. If that wasn't the case, we would never have made it."

- Daniel Richter, Vice President Multichannel, Globus SB-Warenhaus Holding GmbH & Co. KG

Globus had clear priorities when starting with Spryker. A pickup service was to be established within the time frame of 2 weeks, which could be continued at all 4 locations and without interruption or loss of service quality. Globus benefited from the fact that much of the required functionality was already available in the standard of the Spryker Cloud Commerce OS: time slot management and blocking, automated emails, and the basics of a picking app for customers. With Spryker, the impossible became possible. Their shop was able to continue offering the Curbside Pickup service smoothly. Now, Globus is very excited about Spryker's headless approach with its very modular capabilities. Their team embraces the new technological possibilities that are open for development and experimentation.

7

References

for more details see hyperlink

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