

**“A View from Snow Valley’s 2011  
‘Golden Chariot’ award winner”**

**The John Lewis Partnership**

**Phil Courtney**

**General Manager**

**John Lewis Multi Channel Fulfilment**

# Background

- **Customer service and delivering on our promise is key to John Lewis**
- **In the run into peak 2010 online sales grew by circa 30%**
- **During the year we had moved from one to three fulfilment sites**
- **The number of SKU's available online increased from 80k to 150k**
- **Online fulfilment operation was supported by three carriers**
- **Proposition includes a standard 5 day service and premium services**
- **Our 'Carrier Team' work closely with fulfilment sites, MetaPack & the Carriers**

## Peak

- **Planning started in January 2009 !**
- **Contingency planning for the snow – it doesn't snow in December !**
- **Alerts in early November indicated all was not well**
- **One of our three carriers not able to take further consignments**
- **It didn't just snow it snowed and snowed and snowed.....**
- **Reporting, and understanding the facts became increasingly tricky**

## Behaviours and Impacts

- **As weather conditions got worse, contingencies were implemented**
- **Customer behaviour drove increased online activity**
- **Carrier networks were under pressure and trailers backlogged**
- **Retailers moved consignments between carriers – forecast accuracy?**
- **Some carriers became opportunistic and went for volume**
- **Carriers focussed on physical movement versus administration**
- **Temporary resource engaged without the tools to do the job**
- **Ability to track consignments reduced as did the ‘width of the pipe’**

## Customer & Business Comment

- **“When I place an order online with John Lewis I expect the same standard of service that I receive when I visit one of your stores – the fact that you are unable to advise me when my delivery will arrive isn’t acceptable”**
- **“I’ve not been able to get into work today owing to the congestion caused by the snow – I can’t get out of my front door let alone get the car off the drive. I have been at my home all day and it is now 15:00 – my John Lewis delivery has still not arrived”**
- **“The reputation of our brand is being put at risk because we are using carriers to complete the last part of the fulfilment operation – lets move the operation to a carrier that isn’t effected by the snow”**
- **“Our ‘two-man’ delivery and installation teams are performing significantly better than the carriers – what additional deliveries could they complete”**

# Christmas Proposition

- **Cut-off for Christmas was 19:00 on Tuesday 21<sup>st</sup> December**
- **This was revised to 17:00 on Sunday 19<sup>th</sup> December**
- **Throughout the period we had changed the proposition across the UK**
- **Scottish and North East England Post Codes had greatest impact**
- **Success varied by carrier, causing customer confusion**
- **Click and Collect proposition continued to Wednesday 22<sup>nd</sup> December**

## Christmas Week

- **We started Christmas week with 70k customer deliveries outstanding**
- **The ability to track had been lost and information was poor**
- **The effort of the carriers in this week and the focus achieved success**
- **Customer contact was made for all failed deliveries**
- **Compensation payments were made where appropriate to our customers**

## **As a result**

- **End to end Carrier Review lead by external consultants**
- **Build 'Partnership' relationships with key carriers**
- **Better 'understand' the cost to serve**
- **Ensure 'administration' and 'physical' are balanced in future years**
- **Develop increased daily comms / war room approach / exceptions**
- **Book volume in advance to provide 'insight' for carrier network**



# Biography

- Phil Courtney is General Manager of the John Lewis Multi Channel Fulfilment Operation. Joining the Partnership following the integration of the on-line business with the store retail operation forming the Multi-Channel team. Phil is responsible for physical fulfilment from a number of sites across the UK and customer delivery of one man product.
- A background in the retail environment, Phil started his working life in Boots the Chemist as they were then where he held a number of retail store manager roles and after 10 years moved across into the Supply Chain. During the following 17 years he managed a number of regional sites, eventually moving to the Nottingham head office where he was heavily involved in the design principles for their new store fulfilment centre and outsourcing a proportion of the supply chain to Unipart Logistics. Ultimately Phil returned to Operations leading the semi automated UK dispensing warehouse.
- Following this Phil spent 3 years with DSGi managing their 1.5 million sq foot 1 / 2 man customer fulfilment & store replenishment operation in Newark Nottinghamshire, before joining John Lewis in May 2010.
- Now living in Lincolnshire and married with 3 step children and 1 of his own there is little free time but when he can he's quite happy to get hands on with the odd bit of DIY as he and his wife seek to modernise the family home.