

CASE STUDY

"As an organization, the flexibility that DispatchTrack brings to the table is second to none."

David Simons, Regional Vice President of Distribution and Fulfillment at Ferguson

Ferguson Enterprises:

Delivering on a Strong Customer Service Vision with The Right Partner

#FERGUSON

About Ferguson

Largest U.S. distributor of plumbing supplies, PVF, waterworks and fire, and fabrication products

\$18.4 billion

27,000 associates

1,400 locations

4,000 delivery assets

strategically located distribution centers throughout the U.S.

Serves customers in all 50 states, the Caribbean, Puerto Rico, and Mexico



Working with outdated legacy systems suppressed efficiency

Without any shadow of a doubt, Amazon has forever changed delivery expectations – both for consumers and businesses. Logistics will never be the same for businesses that deliver products to customers. As one of the largest plumbing retailers in North America, Ferguson knew it had to take steps to upgrade their delivery process to make it more efficient.

Ferguson's main customers are contractors who manage many complex construction schedules at once. Because their schedules are so complex, those contractors need each delivery to arrive at the agreed-upon time. Not before, and certainly not after. If something were going to go wrong with the delivery, the contractor needs to know ahead of time so the entire construction project doesn't grind to a halt.

Given the nature of their business and customer expectations, Ferguson articulated a visionto serve their customers with complete transparency and precision: with ferguson.com as the online hub. A place where contractors could pick delivery slots, review schedules, check the status of deliveries, and view proof of delivery.



The core problem was clear as day. Ferguson was working with antiquated disparate systems. "We had a 30-year-old, on-premises system," shared David Simons, Regional Vice President of Distribution and Fulfillment at Ferguson. "That was a challenge. And upgrading and customizing that system would be an immense and expensive effort. There were a lot of missing pieces. And we were questioning our relationship with the provider."

This situation caused several problems. Ferguson tried their best to make deliveries at the time the customer requested, but the result was often that trucks ran half-empty. That made efficiency low. Also, Ferguson used third-party logistics providers to flex delivery capacity. This scheduling was done manually, and often times failed.

A new vision

At this point, Ferguson was ready to take a step back and articulate a new vision. What if customers could get all the information and interaction they needed in one place? They would see all their orders, schedule and reschedule deliveries to align with their project schedules, and track delivery status in one place. Ferguson.com was selected as the hub for this new vision, which would be industry leading.

The challenges of selecting a new partner

Any new partner had to live up to Ferguson's stringent demands

Ferguson put together a detailed list of requirements and went out looking for partners who could help them realize their vision.





To offer delivery slots, a real-time view of inventory, delivery capacity, and scheduled deliveries is required. And the system needs to run at all hours.



To further complicate things, not all drivers or installers can make the same installations. As a result, each job needs to be matched to the right skill set.



To offer transparency, there needs to be a real-time view into where the driver is in relation to the driver's schedule.



For complex installations, multiple trips to the site for preinspection, delivery, and installation may be required. All steps need to be signed off and documented.



The routing engine needs to have extremely high capacity to direct thousands of routes from Ferguson's 1,400 locations.



The solution needs to be end-to-end, from integration to the ordering system to scheduling, routing, delivery, installation.



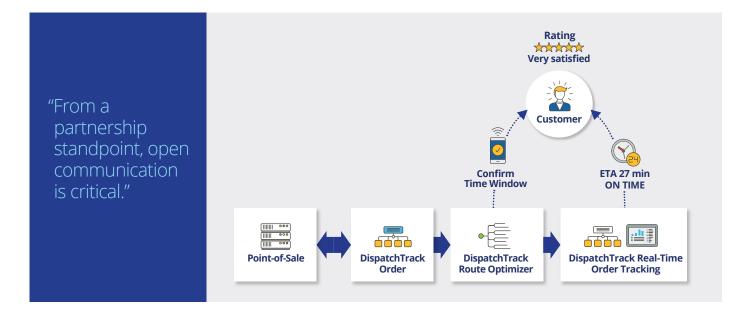
The solution needs to extend to third-party providers and make them be a seamless part of the Ferguson system. It also needs to report driver time accurately and help make on-time payments.



The solution needs to be intuitive, simple, and easy to use.



The question we posed to DispatchTrack was could they provide everything that we needed," said David. "They were able to articulate a plan in real time, on the fly, in such detail that our I.T. people walked away from the meeting with a great deal of confidence that DispatchTrack's plan was a great idea and would solve our issues.



Ferguson's requirements for a partner ran even deeper. "From a partnership standpoint, open communication is critical. And I think we had that with DispatchTrack from day one," shares David. "The other key piece of the partnership is doing what you say you're going to do. It was clear after discussing our issues with DispatchTrack that they were capable of delivering on their promises."

The third requirement was that their partner needs to be open to feedback – both positive and negative. "It's all about trust," said David. "Both sides have to be able to challenge in a healthy manner and come out the other end feeling even better about the partnership."

"When you work with a partner like DispatchTrack that can truly make our associates' lives easier at the local level while also pleasing the customer, that's a win-win situation."

> - David Simons, Regional Vice President of Distribution and Fulfillment at Ferguson

CASE STUDY - FERGUSON ENTERPRISES

DispatchTrack made a huge impact

The impact was felt across all sales verticals and markets

The team at DispatchTrack worked hard to develop a strong partnership. It was important to them to close all of Ferguson's functional gaps and build the required integrations. And do it on schedule.

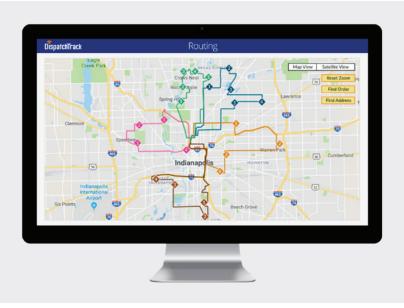


1,100 sales locations adopted DispatchTrack in 3 months with 98% compliance.



With DispatchTrack as their partner, Ferguson deployed a comprehensive routing solution across all their sales verticals. "Things have been great," David shared. "We now have a consistent experience across all sales verticals for deliveries to our customers. That's been extremely impactful." Across their distribution centers, more than 10,000 dispatchers are now using DispatchTrack to schedule and route deliveries. But the system doesn't stop at deliveries. Dispatchers can also schedule and monitor complex installations that often involve third-party contractors. And customers who wish to use contactless pick-up can do so as well.

Schedule and monitor complex installations that often involve third-party contractors. DispatchTrack has the ability to be nimble. And that's something I haven't seen with other organizations in the same space," David shares. "When you work with a partner like DispatchTrack that can truly make our associate's lives easier at the local level while also pleasing the customer, that's a win-win situation.



Ferguson also deployed a DispatchTrack solution for the delivery and installation of appliances in many of their target markets. "We deployed that solution in 66 markets, and we expect to be in the rest of the markets in a couple of months," said David. "In total, that would encompass 350 third-party logistics provider partners." Ultimately, the tight collaboration between software vendor, IT department, and training teams resulted in 1,100 sales locations adopting DispatchTrack in three months with 98% compliance.

Deliveries can be verified and documented in real-time.







Using DispatchTrack, Ferguson routes deliveries for 4000 assets each day



About DispatchTrack

DispatchTrack is the leading end-to-end software for last mile logistics, and services over 180 million deliveries per year for companies ranging from 3 to 3000+ trucks. Companies in industries such as furniture/appliances, 3PL, building supplies, food distribution, grocery delivery, medical supplies, and auto-parts use DispatchTrack to provide excellent delivery service experiences and to optimize their operations. Our NPS score of 70 shows that customers love the long-term relationships we develop and truly be their partners.

Navigating the last mile

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