

FUTURE-PROOFING YOUR WAREHOUSE REQUIREMENTS

Emerging trends in warehousing and how to prepare for your future storage needs

ZIEGLER®



In today's rapidly evolving business landscape, managing your own warehouse can be a significant challenge.
From keeping up with emerging technologies to adapting to changing consumer demands, the task of future-proofing your storage needs is becoming increasingly complex.

One of the foremost difficulties is the substantial capital investment required. Warehousing involves not only the acquisition of property and storage equipment but also the continuous upkeep of facilities. Beyond the initial setup costs, businesses face ongoing expenses related to maintenance, safety upgrades, and repairs, all of which can strain resources and add unpredictability to financial planning.

Technology is another critical area where managing an in-house warehouse can become burdensome. With the rapid advancement of warehouse technologies like automation, robotics, and sophisticated warehouse management systems, staying competitive means regularly integrating new technologies. This requires not only substantial investment but also ensuring that employees are trained to use these systems effectively. For many businesses, keeping pace with technological innovation can feel like an overwhelming task, demanding expertise that may not align with their core competencies.

The challenge of scalability is another pressing issue. As businesses grow, expand into new markets, or experience seasonal fluctuations in demand, their storage needs shift. An in-house warehouse must constantly adjust to these changes—either through costly expansions or by managing underutilised space during quieter periods. By contrast, outsourcing to a third-party provider offers the flexibility to scale operations up or down, without the financial burden of purchasing additional space or equipment.

Labor management is another layer of complexity. Operating a warehouse requires hiring, training, and managing a workforce to handle tasks like inventory control, order fulfillment, and shipping. Labor shortages or high turnover rates can severely disrupt operations, requiring businesses to continuously recruit and retrain employees. Third-party logistics providers, on the other hand, often have larger and more specialized workforces, allowing them to manage these labor challenges more effectively.

Perhaps one of the biggest advantages of outsourcing is the ability for businesses to focus on what they do best. For most companies, warehousing and logistics are not core competencies. Managing an in-house warehouse diverts valuable attention and resources from product development, customer service, or marketing—areas where businesses truly differentiate themselves. By outsourcing, companies can entrust the logistical complexities to experts and dedicate more of their time to driving growth.

There's also the issue of risk management. Warehousing entails various risks, from equipment failures and theft to natural disasters and fires. Managing these risks requires careful planning, insurance, and sometimes legal expertise. Purpose-built logistics providers, with their extensive experience and scale, are often better equipped to handle these potential risks and absorb the operational impact, which can give businesses greater peace of mind.

Finally, the ever-changing nature of consumer demands adds yet another challenge. With the rise of e-commerce and growing expectations for fast, accurate deliveries, businesses must continuously adapt their supply chains. An in-house warehouse can struggle to keep up, particularly if new infrastructure or systems are required to meet these shifts. In contrast, outsourced providers typically have the resources and technology in place to respond quickly to market changes, ensuring smoother operations and better customer satisfaction.

In essence, while owning and operating a warehouse may offer control, the logistical, financial, and operational challenges it presents are significant. Outsourcing to a purpose-built supplier often proves more efficient, allowing businesses to benefit from the expertise and flexibility of specialised providers, all while focusing their energy on what truly drives their success.

ONE OF THE MOST DANGEROUS PHRASES IN BUSINESS IS ***"WE'VE ALWAYS DONE IT THIS WAY."*** HOW WILL YOU ADAPT YOUR WAREHOUSING FOR TOMORROW'S CHALLENGES?

The Evolving Landscape of Warehousing

The warehousing industry has undergone significant transformations in recent years, driven by:

E-commerce growth and changing consumer expectations

The explosive rise of e-commerce has fundamentally changed how goods are stored, processed, and delivered. Consumers expect fast, reliable, and often same-day or next-day delivery, putting immense pressure on warehouse operations.

Advancements in technology and automation

Technological innovations are transforming how warehouses operate, making them more efficient and capable of handling the complexities of modern supply chains.

Increasing focus on sustainability and environmental impact

With growing concerns about climate change and corporate responsibility, the warehousing industry is under pressure to reduce its environmental footprint.

Global supply chain disruptions and the need for resilience

Recent events such as the COVID-19 pandemic, geopolitical tensions, and natural disasters have highlighted the vulnerability of global supply chains.

Understanding these drivers of change is essential for anticipating future warehouse requirements and staying ahead of the curve.

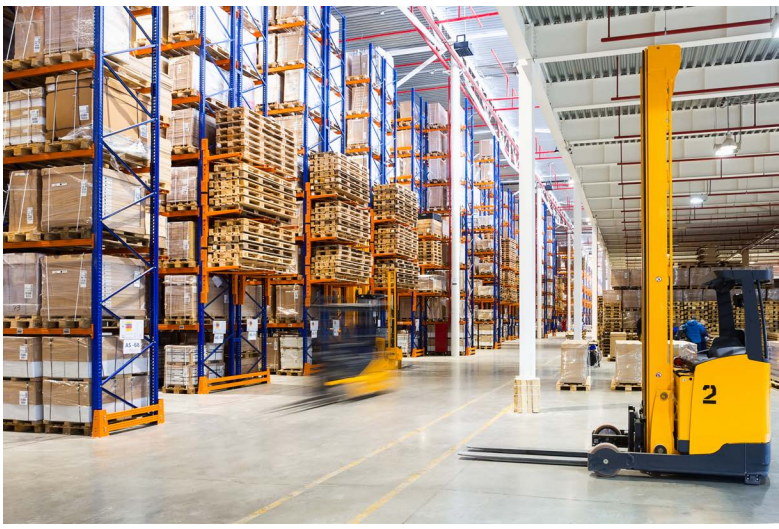
Key Emerging Trends in Warehousing

E-Commerce Growth and Changing Consumer Expectations

1

Increased demand for warehouse space

The growth of e-commerce is driving the need for more warehouse space as businesses expand their product offerings and manage larger inventories. Omnichannel retailing, where consumers shop online and in-store, adds complexity to inventory management, increasing demand for scalable storage solutions. The rise in returns further strains warehouse capacity, as returned items require storage and processing. To address these challenges, companies are exploring vertical storage and modular racking systems to optimise space and reduce costs.



Key Developments

→ Rapid expansion of online retail sales

→ Increased product variety requiring more inventory storage

→ Higher volumes of returns management

→ Growing demand for temporary or seasonal storage solutions

How to prepare

- Invest in scalable warehouse infrastructure to accommodate future growth
- Utilise flexible lease options to adapt to fluctuating demand
- Optimise space usage with high-density storage solutions

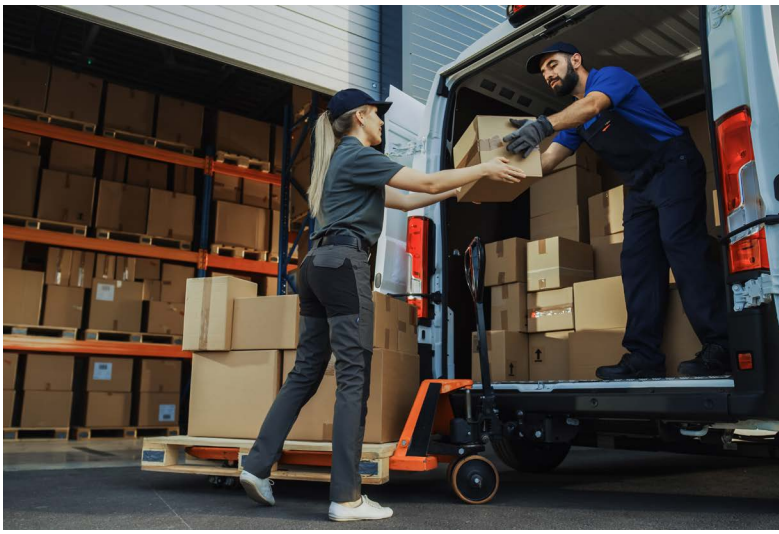
Key Emerging Trends in Warehousing

E-Commerce Growth and Changing Consumer Expectations

2

A shift towards smaller, strategically located fulfillment centres

This shift is driven by the need to reduce delivery times and transportation costs, as consumers expect faster, more affordable shipping. Smaller, localised fulfillment centres enable businesses to store inventory closer to customers, improving last-mile delivery efficiency. These facilities are often tech-driven, allowing for real-time inventory tracking and faster order processing. As a result, companies are better positioned to meet consumer expectations while reducing the environmental impact of long-distance shipping.



Key Developments

→ Proliferation of last-mile delivery services

→ Rise of micro-fulfillment centres in urban locations

→ Need for real-time inventory visibility across multiple locations

→ Increased pressure to reduce shipping times and costs

How to prepare

- Analyse consumer demand patterns to identify optimal fulfillment centre locations
- Invest in technology to synchronise inventory across multiple sites
- Partner with third-party logistics (3PL) providers for flexible, localised storage

Key Emerging Trends in Warehousing

E-Commerce Growth and Changing Consumer Expectations

3

Emphasis on order accuracy and speed

With rising consumer expectations for same-day or next-day delivery, businesses are under pressure to ensure accurate and timely order fulfillment. Errors in order picking or delays can lead to customer dissatisfaction and increased return rates. To meet these demands, companies are investing in automation and real-time tracking systems, improving both speed and accuracy. Streamlining warehouse processes allows businesses to enhance customer satisfaction while maintaining a competitive edge in the fast-paced e-commerce market.



Key Developments

→ Rising consumer expectations for same-day or next-day delivery

→ Increased penalties for order errors or delays

→ Enhanced competition driving demand for operational excellence

→ Greater focus on customer retention through superior service

How to prepare

- Invest in warehouse automation tools to reduce picking and packing errors
- Implement real-time tracking and inventory management systems
- Train warehouse staff to work efficiently in high-speed environments

Key Emerging Trends in Warehousing

Advancements in Technology and Automation

1

Automation and robots

Robots are increasingly being used for tasks like picking, packing, and sorting, significantly reducing human error and labor costs. Automated systems can operate around the clock, boosting efficiency and order throughput. Additionally, advancements in autonomous mobile robots (AMRs) and automated storage and retrieval systems (AS/RS) allow warehouses to optimise space and improve inventory management. By integrating automation, companies can scale operations quickly while meeting the growing demand for faster, more accurate fulfillment.



Key Developments

→ Increasing adoption of autonomous mobile robots (AMRs) for picking

→ Rise of automated storage and retrieval systems (AS/RS)

→ Use of robotic arms for packing and palletising tasks

→ Integration of collaborative robots (cobots) working alongside human workers

How to prepare

- Assess your operations for areas where automation can provide the most impact
- Invest in scalable robotics solutions that can grow with your business
- Train employees to work alongside automated systems for maximum efficiency

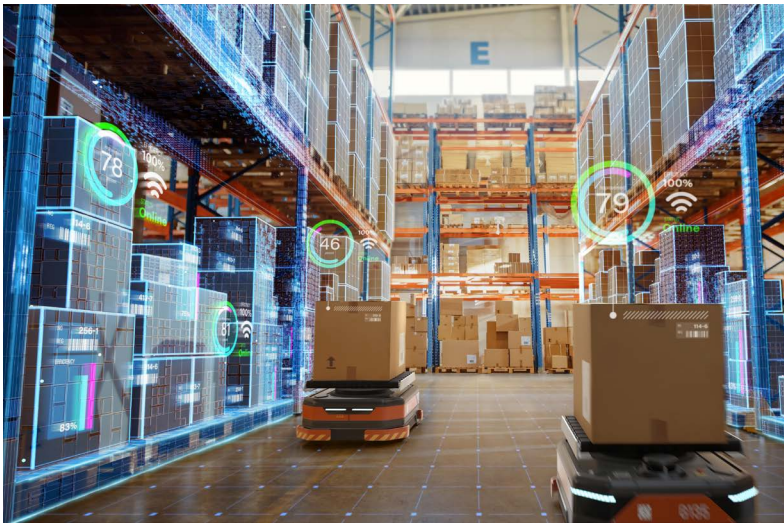
Key Emerging Trends in Warehousing

Advancements in Technology and Automation

2

Increased demand for AI and machine learning

AI and ML are being used to optimise inventory management, predict demand, and streamline order processing by analysing vast amounts of data. These technologies help warehouses forecast trends, reduce overstock or stockouts, and improve picking efficiency. Machine learning algorithms also enhance route optimisation and operational workflows, resulting in faster and more accurate fulfillment. By adopting AI-driven tools, businesses can boost productivity, minimise errors, and stay agile in a rapidly evolving market.



Key Developments

- → AI-driven demand forecasting for better inventory management.
- → Machine learning algorithms for optimising picking routes.
- → Real-time analytics to predict and prevent operational bottlenecks.
- → AI-powered predictive maintenance for warehouse machinery.

How to prepare

- Implement AI-driven tools to improve demand forecasting and inventory planning
- Use machine learning to optimize operational workflows
- Integrate AI-based predictive maintenance to minimise equipment downtime

Key Emerging Trends in Warehousing

Advancements in Technology and Automation

3

Warehouse management systems

Modern Warehouse Management Systems (WMS) enable real-time tracking of inventory, helping businesses maintain accurate stock levels and reduce errors. These systems also automate key processes such as order picking, packing, and shipping, boosting efficiency. With cloud-based solutions, WMS allows for seamless integration across multiple warehouse locations, improving visibility and coordination. As a result, companies can better manage operations, optimise workflows, and enhance overall warehouse performance to meet growing consumer demands.



Key Developments

→ Cloud-based WMS offering real-time data access.

→ Integration of WMS with other business systems (ERP, TMS, etc.).

→ Use of WMS for labor management and productivity tracking.

→ Enhanced WMS capabilities for managing multiple warehouse sites.

How to prepare

- Implement or upgrade to a cloud-based WMS for real-time data access
- Ensure integration between your WMS and other business-critical systems
- Use WMS analytics to monitor workforce efficiency and operational KPIs

Key Emerging Trends in Warehousing

Increasing Focus on Sustainability and Environmental Impact

1

Green warehouse practices

Green warehouse practices prioritise energy efficiency, waste reduction, and sustainable resource use. Facilities are adopting renewable energy sources like solar power, using energy-efficient lighting and equipment, and implementing recycling programs. Eco-friendly building materials and designs also contribute to reducing a warehouse's carbon footprint. By embracing these sustainable practices, companies can lower operational costs, reduce environmental impact, and meet the growing consumer and regulatory demand for more eco-conscious business operations.



Key Developments

→ Adoption of energy-efficient lighting and HVAC systems.

→ Use of renewable energy sources such as solar power.

→ Increasing reliance on eco-friendly materials in warehouse construction.

→ Implementation of energy-saving automation solutions.

How to prepare

- Retrofit your warehouses with energy-efficient systems to reduce consumption
- Explore the use of renewable energy sources such as solar or wind power
- Prioritise green building certifications (e.g., LEED) when expanding or renovating

Key Emerging Trends in Warehousing

Increasing Focus on Sustainability and Environmental Impact

2

Sustainable packaging and waste reduction

In response to rising environmental concerns, companies are adopting sustainable packaging solutions and minimising waste in warehouse operations. This includes using recyclable and biodegradable materials, reducing packaging size, and implementing efficient packing methods. Additionally, businesses are focusing on reusing packaging whenever possible and establishing waste reduction initiatives throughout their supply chains. By prioritising sustainable packaging practices, companies can lower their environmental impact, enhance brand reputation, and meet consumer demand for eco-friendly options.



Key Developments

→ Shift towards recyclable and biodegradable packaging materials.

→ Increased focus on minimising packaging waste in fulfillment operations

→ Rise in customer demand for eco-friendly packaging options.

→ Growing adoption of circular economy principles in warehousing.

How to prepare

- Implement sustainable packaging solutions to reduce environmental impact
- Train warehouse staff on waste reduction practices and efficient packaging
- Partner with suppliers who prioritize sustainable materials and processes

Key Emerging Trends in Warehousing

Increasing Focus on Sustainability and Environmental Impact

3

Location-based strategies

Location-based strategies aim to reduce the environmental impact of warehousing by optimising facility placement. By situating warehouses closer to key markets and transportation hubs, companies can minimise transportation emissions and improve delivery efficiency. Additionally, these strategies often involve assessing regional infrastructure and customer distribution patterns to ensure optimal supply chain operations. By prioritising strategic locations, businesses can lower logistics costs, enhance service levels, and contribute to more sustainable supply chain practices.



Key Developments

→ Rising importance of proximity to consumers to reduce carbon footprints.

→ Increasing focus on strategic warehouse locations near public transportation hubs.

→ Emphasis on reducing long-haul transportation by localising supply chains.

→ Incorporation of sustainable transportation options, like electric fleets.

How to prepare

- Evaluate warehouse locations to optimise for proximity to key markets
- Invest in transportation infrastructure that reduces environmental impact
- Collaborate with logistics providers who prioritise sustainability

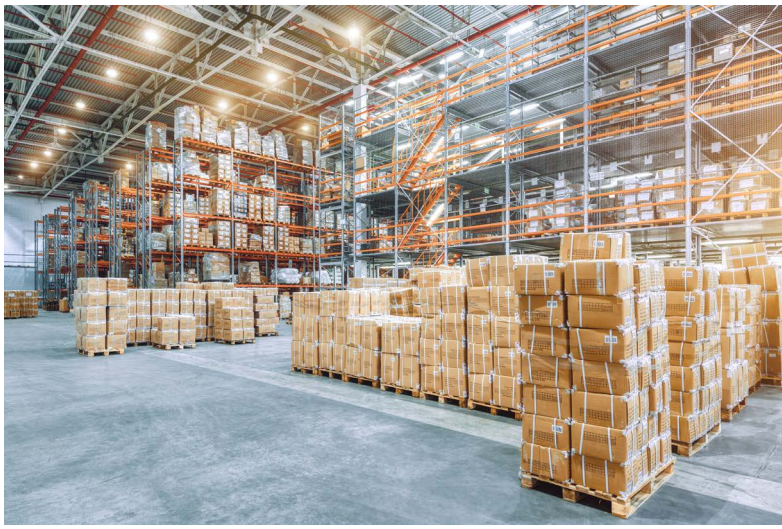
Key Emerging Trends in Warehousing

Global Supply Chain Disruptions and the Need for Resilience

1

Stockpiling and safety stocks

In light of recent supply chain disruptions, businesses are increasingly adopting stockpiling strategies and maintaining larger safety stocks to ensure product availability. This approach helps mitigate risks associated with unpredictable lead times and supply shortages. By holding more inventory, companies can better respond to sudden demand spikes and maintain service levels. However, this requires careful inventory management and analysis to balance the costs associated with excess stock while still ensuring operational resilience and customer satisfaction.



Key Developments

→ Growing uncertainty in global supply chains due to political or economic factors.

→ Increased lead times for inventory restocking.

→ Rising costs associated with supply chain disruptions.

→ Heightened focus on securing essential stock to avoid product shortages.

How to prepare

- Develop strategies for identifying critical products that require safety stocks
- Use advanced forecasting tools to predict demand volatility
- Allocate additional warehouse space to accommodate higher inventory levels

Key Emerging Trends in Warehousing

Global Supply Chain Disruptions and the Need for Resilience

2

Diversification of supply chains

To mitigate risks associated with supply chain disruptions, companies are diversifying their sourcing strategies by establishing relationships with multiple suppliers across various locations.
This approach enhances resilience and reduces dependence on any single source, minimising potential delays and shortages.
Additionally, businesses are investing in flexible logistics networks that can adapt to changing circumstances, ensuring a more agile response to market demands.
By building redundancy into their supply chains, companies can better navigate uncertainties while maintaining consistent product availability.



Key Developments

→ Increased focus on nearshoring and reshoring to reduce dependence on distant suppliers.

→ Expansion of supplier networks to spread risk.

→ Growing need for agile supply chain networks that can quickly adapt to disruptions.

→ Adoption of digital tools for real-time supply chain visibility.

How to prepare

- Map your supply chain to identify key vulnerabilities and diversify suppliers
- Invest in digital supply chain tools to enhance real-time monitoring
- Collaborate with local and global suppliers to create a more resilient network

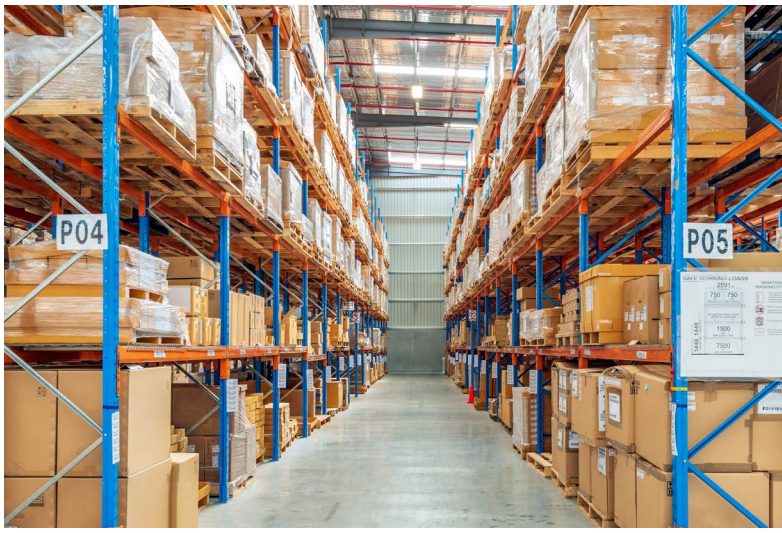
Key Emerging Trends in Warehousing

Global Supply Chain Disruptions and the Need for Resilience

3

Flexible warehousing

Flexible warehousing solutions are gaining traction as companies look to quickly adjust to evolving market conditions and supply chain challenges. These options include on-demand storage, shared warehouse spaces, and partnerships with third-party logistics providers, allowing businesses to scale their operations based on fluctuating demand. By leveraging flexible warehousing, companies can minimize overhead costs and optimise their storage capacity, ensuring that they are well-prepared to meet customer expectations while maintaining operational agility in a dynamic environment.



Key Developments

→ Growth in on-demand warehousing models, allowing companies to scale storage needs up or down.

→ Increased reliance on 3PLs to provide flexible warehouse space.

→ Adoption of shared warehouse models to maximize efficiency and reduce costs.

→ Need for faster, more responsive logistics networks

How to prepare

- Consider flexible warehousing options to manage fluctuations in inventory demand
- Partner with 3PLs offering scalable storage solutions
- Utilise shared warehousing to minimize overhead while maximising space efficiency

Preparing for Future Storage Needs

Conducting an audit of your current warehouse operations is a critical step to determine if outsourcing to a third-party storage provider would be beneficial for your business. Here's a structured approach to conduct this audit:

1. Assess Your Current Warehouse Cost

2. Evaluate Warehouse Utilisation and Capacity

3. Analyse Labor Efficiency

4. Assess Technology and Systems

5. Service Levels and Customer Expectations

6. Evaluate Scalability and Flexibility Needs

7. Review Supply Chain and Logistics Network

8. Conduct a Cost-Benefit Analysis

9. Consider Future Business Needs

10. Engage Stakeholders

Why Partnering with a Third Party Supplier for Storage Makes Perfect Sense

1. Cost-Effectiveness and Predictable Expenses

Convert fixed storage costs to variable expenses aligned with your business volume

Companies can save 15-25% on logistics costs by outsourcing to third-party providers

2. Scalability and Flexibility

Easily adjust your storage space up or down based on fluctuating stock levels

Access to our 365,000 square foot facility eliminates concerns about space constraints

3. Access to Cutting-Edge Technology

Benefit from continuous investments in advanced storage and inventory management systems

Gain competitive advantage without significant capital expenditure

4. Expertise and Best Practices

Leverage our team's deep industry knowledge and continuously optimised processes

Stay compliant with evolving regulations without dedicating internal resources

5. Focus on Core Competencies

Redirect time and resources from storage management to growing your business

Let us handle the complexities of warehousing while you focus on serving your customers

6. Risk Mitigation

Transfer storage-related risks to our robust risk management protocols

Benefit from our comprehensive insurance coverage

7. Geographic Expansion

Expand into new markets without investing in additional storage facilities

Utilize our strategic locations and distribution network for growth

8. Sustainability and Compliance

Instantly improve your supply chain's sustainability profile through our green practices

Industry Insight: 66% of consumers consider sustainability when making purchases

9. Labor Management

Eliminate challenges of hiring and managing warehouse staff

Access skilled professionals without associated HR complexities

10. Data-Driven Insights

Gain valuable insights into inventory trends and supply chain performance

Make informed decisions based on our advanced analytics capabilities

IN A WORLD OF VARIABLE COSTS, FIXED ASSETS CAN BE A LIABILITY.

IS YOUR STORAGE SOLUTION AS FLEXIBLE AS YOUR BUSINESS NEEDS TO BE?

Take a tour around our State-of-the-art London Gateway Logistics Super-Hub



Experience the future of freight logistics at Ziegler's cutting-edge 500,000 sq ft super-hub in DP World's London Gateway Logistics Park.

The strategic location in Essex, just 11 miles from M25 and 3 miles from A13, ensures rapid nationwide distribution, revolutionising your supply chain. Leverage our DP World partnership for seamless coordination of road, air, and ocean freight, achieving true multimodal excellence. At the heart of our operations lies cutting-edge technology, including real-time inventory management that optimises your operations and ensures an uninterrupted flow of goods.

Our state-of-the-art loading docks redefine efficiency, maximizing throughput and minimising delays. Throughout your shipping journey, count on our dedicated professionals to deliver exceptional service across all modes. Whether you're aiming to streamline operations, cut costs, or boost sustainability, Ziegler's London Gateway hub is your key to supply chain success.

Warehouse Statistics

365,000
sq ft of warehouse space

60,000
sq ft of office space

55,000
pallet racking spaces

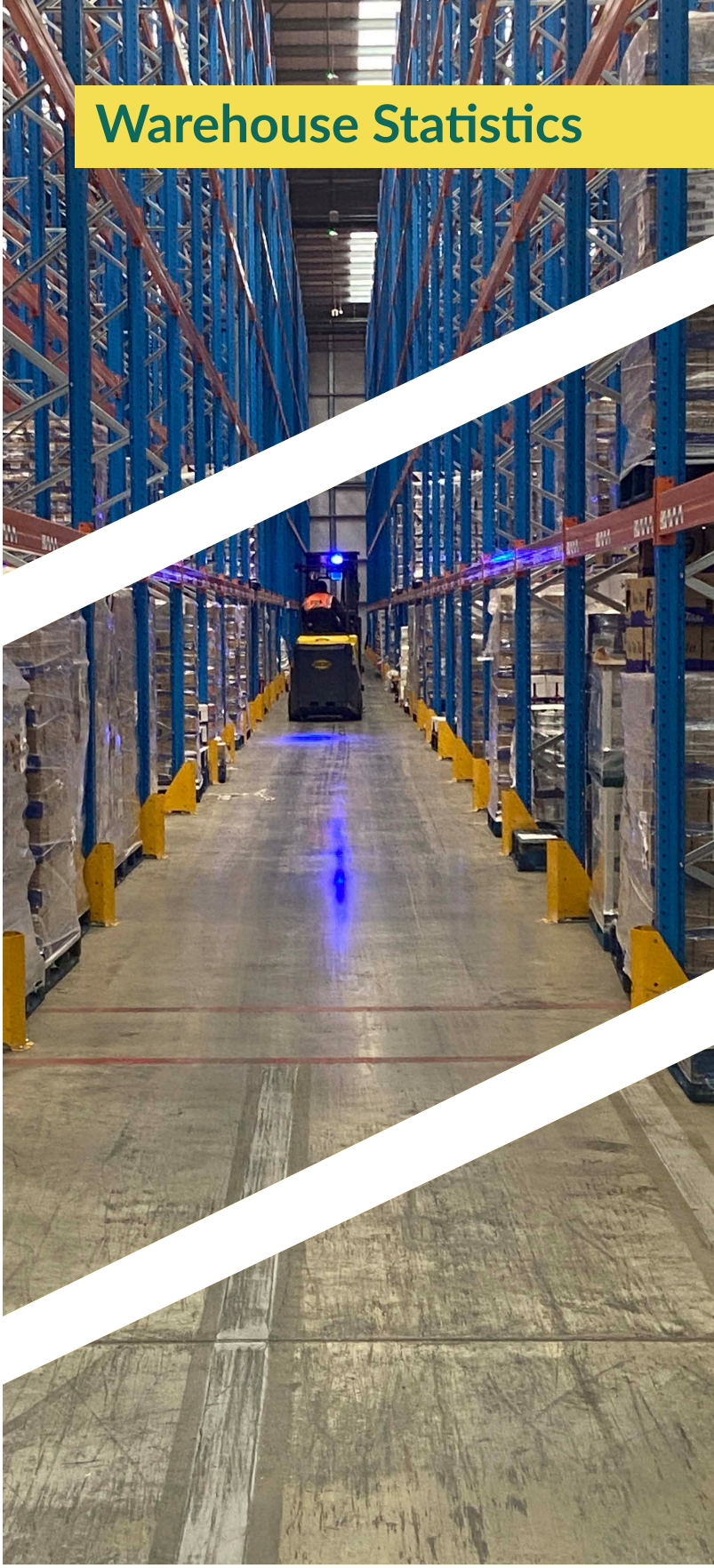
24,000
sq ft value-added services mezzanine

6,000
sq ft of plant machinery space

37
docking bays

24/7
manned site with security access gates

3
levels of logistics offices



Our Weekly Volumes

4,500
pallets a week inbound

7,500
pallets stored

12,000
cases picked and despatched

4,000
shipments despatched

2,000
pallets shipped through pallet network

1,200
pallets shipped through LTL

800
pallets shipped through FTL

2,500
rework/value added units per week



Value-Added Services

Providing an all-encompassing solution for businesses seeking more than just storage space. From intricate case picking and packing, e-commerce operations as well as B2B and B2C services including bulk order handling, cross-docking capabilities, EDI integration, individual order fulfillment, D2C shipping and customer service support, it massively expands our service offering. This comprehensive range of aditional services means you have everything you need from a logisitcs partner whilst ensuring your products are always prepared and distributed with accuracy and care.

Internal ETSF Area

Enables seamless management of goods under customs control. This facility allows for efficient handling of imported goods awaiting customs clearance, speeding up the distribution process and minimising delays. It's a valuable asset for businesses aiming to reduce lead times and ensure smooth international supply chain operations.

London Gateway Freeport Status

Tapping into the UK's advantageous tax and customs benefits for businesses operating within freeports. This status can significantly reduce costs for companies importing, processing, and re-exporting goods, making Ziegler a strategic partner for companies looking to capitalise on free trade benefits and increase profitability.



Advanced Inventory Management System

Offering real-time visibility into stock levels, ensuring precise tracking of inventory across multiple locations. This system enhances warehouse operations by minimising errors, optimising stock levels, and providing valuable data for demand forecasting. Businesses working with Ziegler can be confident in their inventory accuracy and enjoy faster, more informed decision-making.

Palletforce Membership

Leveraging a network of high-quality distribution services across the UK and Europe. This partnership ensures businesses benefit from fast, efficient, and reliable palletised freight services, expanding their reach and improving delivery times for their customers.

Established Vehicle Fleet

Ensuring timely and flexible distribution solutions. With a wide range of vehicles and an experienced logistics team, Ziegler is capable of handling various delivery requirements, from large-scale shipments to last-mile delivery services. This ensures that businesses can meet customer expectations for prompt and reliable fulfillment.



CONTACT US for a free consultation to discuss all of your storage requirements

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www.zieglergroup.com/uk/



ZIEGLER®