

WMS - The Move to 'Light' Versions

As with many things in these days of green and low fat, the WMS is undergoing a re-branding revolution of it's own, resulting in a range of 'light' versions.

This may seem like a simple case of opportunism, but under closer scrutiny, it is inevitable that as the vast majority of major retailers and distributors now have their warehouses WMS enabled, systems suppliers need to market their solutions to a different set of customers who have different requirements.

The development of these light versions goes hand in hand with medium to small sized customers recognising the need for a strong WMS on which to base their Supply Chain and warehousing strategy. Many of these customers are retailing via the web, which significantly adds to the requirement to have accurate stock files and real-time processing, giving customers effective visibility of what is available at any point in time.

Traditional 'tier one' suppliers have approached the task of attracting this different set of customers in differing ways; some choosing to provide the customer with their primary WMS solution then restricting access to all but the essential functionality. The merits of utilising a cut down version of the 'tier-one' solution means that the WMS is working on proven technology and software, changes to the core system also provide benefit to the smaller solution if upgrades are taken. Others have provided a completely new system, sometimes based on a different technical solution. This has the benefit of the solution being conceived, designed, and built with smaller organisations and modern warehousing techniques in mind.

Whilst the 'tier one' suppliers have taken different approaches to their solutions, the traditional suppliers of systems to smaller clients have had to update their approach to selling their systems in order to maintain their presence. These solutions, which always were aimed at the small to medium size operation, have needed to adapt in order to combine functionality such as web based ordering and direct to customer despatch functionality. However, their biggest challenge is competing with the larger and (usually) slicker, sales and marketing departments within this new set of suppliers competing for business. As the price of the light WMS is inevitably cheaper than the full solution, smaller suppliers can no longer guarantee a significantly lower price solution as the method for winning the contract.

For the retailer this presents many more opportunities, but also a bigger dilemma than ever before; select a proven, class leading solution, albeit for the basic functionality only, or select a smaller company for a more tailored solution. Either choice can be the right one, provided selection criteria are well defined as part of the search process, and that you have a clear understanding of the capabilities of the systems that you are considering. Consider plans for growth, and whether the solutions under review are capable of affecting the change required in a cost effective way.

As the choice is even wider than ever before, the use of an organisation experienced with selecting and working with these suppliers will ensure that the right questions are asked. This will add to the selection cost, but will also help to ensure that a significant long term solution is right for your organisation.