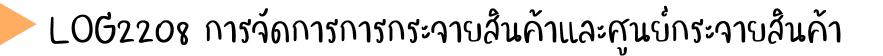
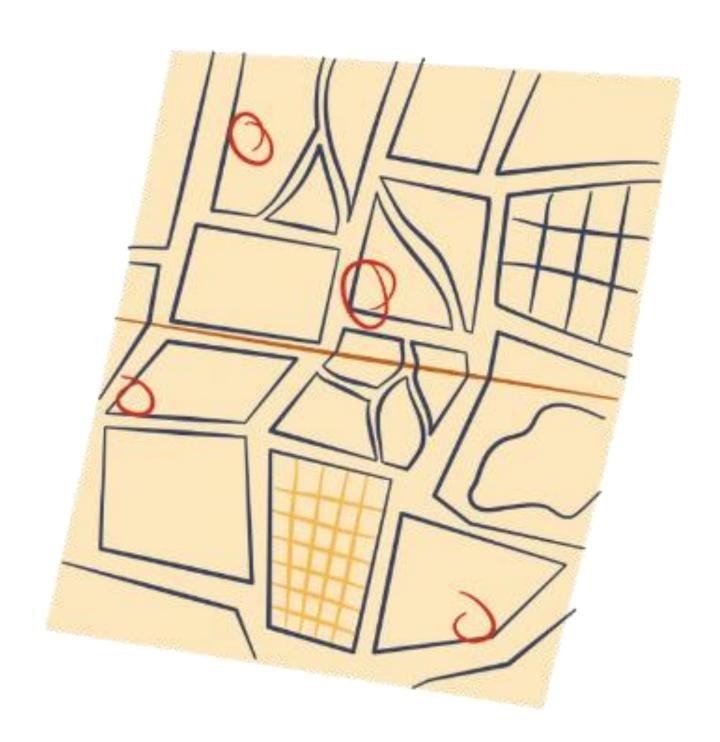
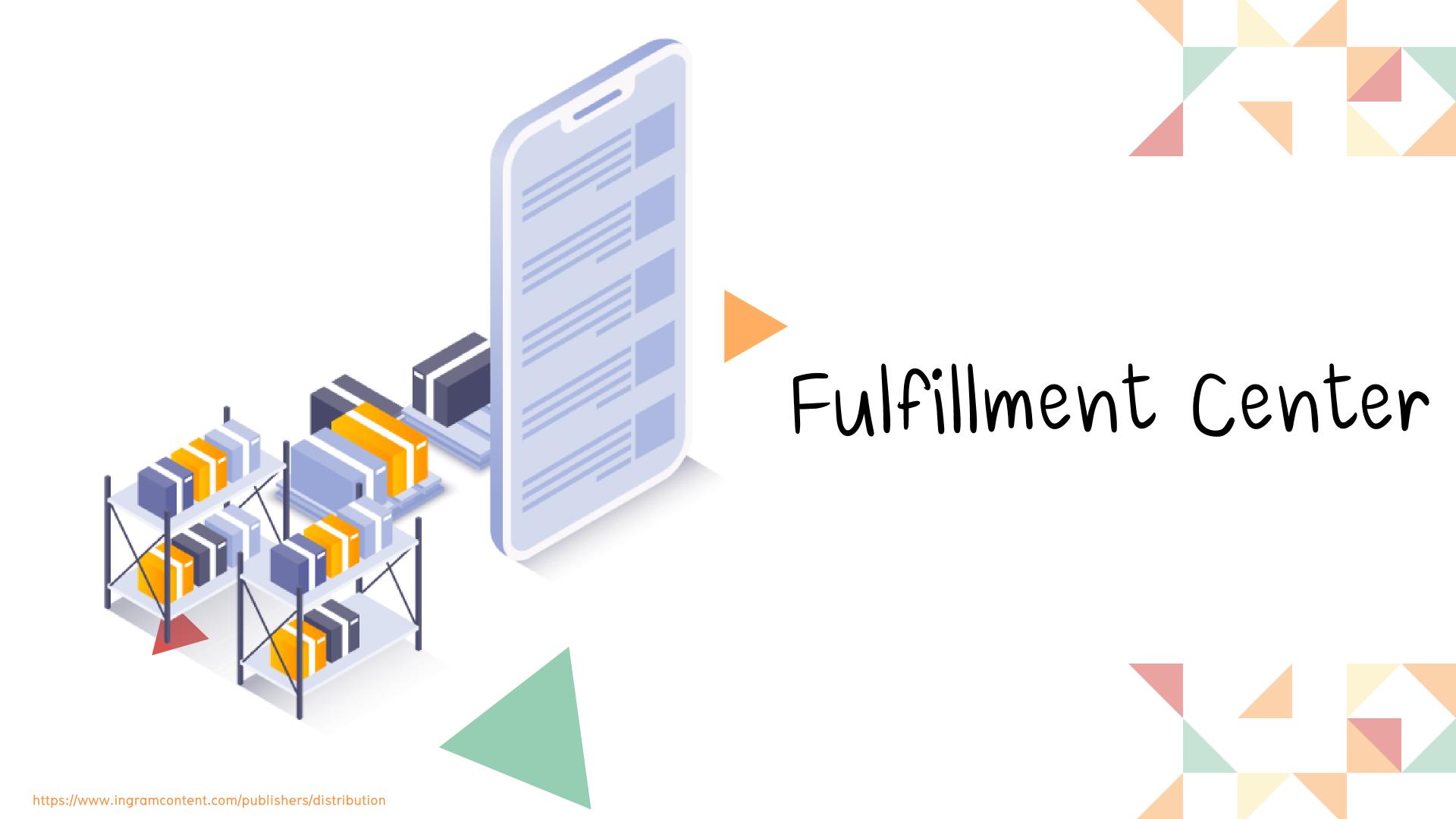
Distribution and Distribution Center Management



Distribution and Distribution Center Management

and importance of distribution centers in economic systems and logistics processes Location selection, operational planning in distribution centers; Distribution center management Using information technology to create competitiveness Planning and strategy for product distribution





Fulfillment Center



Fulfillment Center

Difference Between

Fulfillment Center

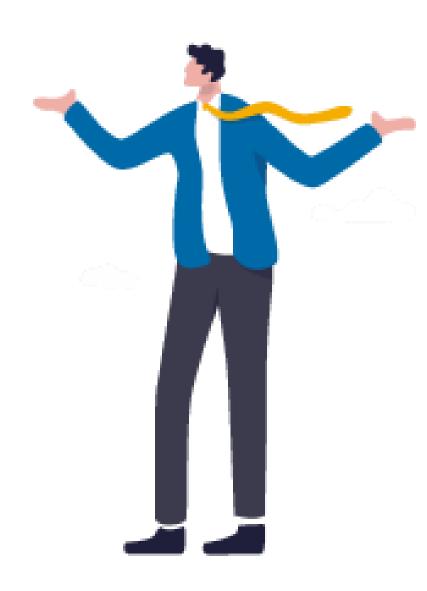
Only used for storing products

Used for both B2B and D2C businesses

Goods stored for longer duration

Primitive technology

Seller-centric



Distribution Center

Offers VAS services like packing, product mixing along with storage

Mainly used for B2B businesses

Goods stored for shorter duration

Equipped with advanced technologies

Customer-centric

Fulfillment Center

Pros

- Delivers goods straight to your customers
- Frees up space occupied by your inventory
- Located close to your customers for short shipping times
- Trained staff receives and handles your inventory
- Can pick and pack products for you
- Kitting services are often available
- Can label shipments and sometimes offer custom packaging
- May have a customer service division you can use
- Will manage returns and offer reverse logistics services
- Outsourcing logistics needs allows you to focus on your business's strengths
- Automation offers transparency throughout each step of your supply chain

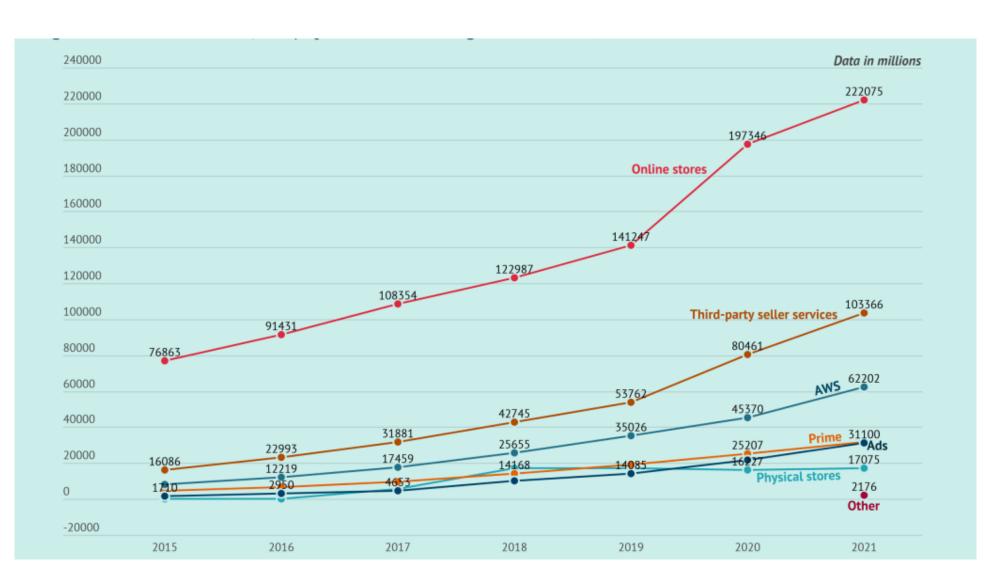
Cons

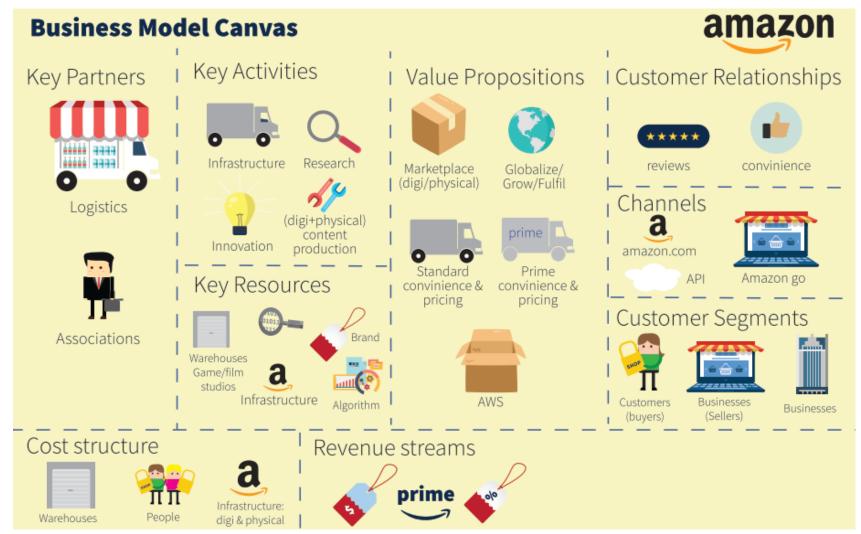
- Limited storage space available at any given time
- Only offers short-term storage
- Unsold inventory becomes more expensive to store
- Unable to ship large amounts of goods in bulk
- More expensive than a distribution center due to location and additional services

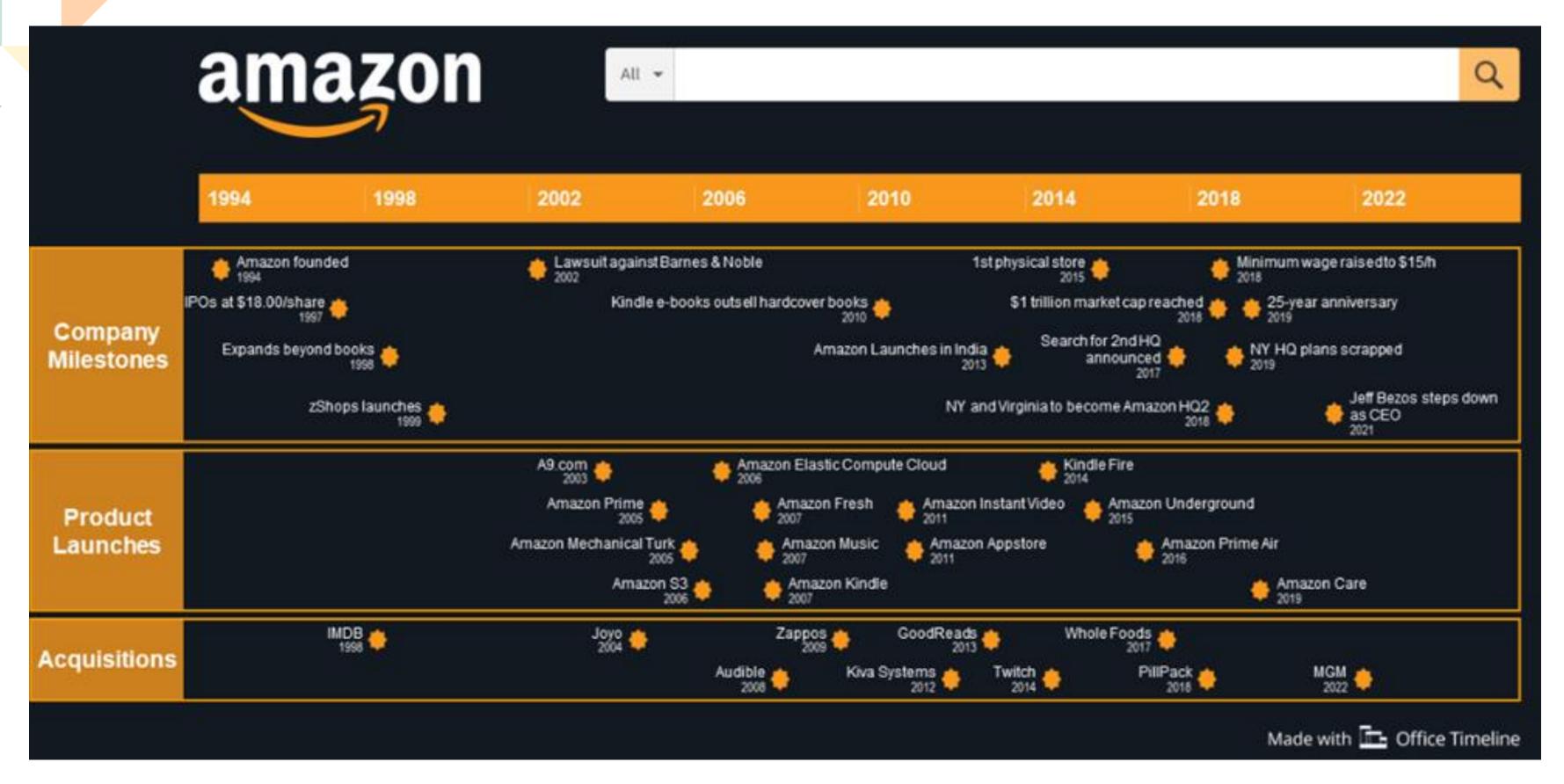


Amazon Revenues 2015-2021

Amazon has a business model with many moving parts. With the e-commerce platform which generated over \$222 billion in 2021, followed by third-party stores services which generated over \$103 billion, Amazon AWS, which generated over \$62 billion, Amazon advertising which generated over \$31 billion and Amazon Prime which also generated over \$31 billion, and physical stores which generated over \$17 billion.









KNOW YOUR
THRESHOLD FOR
DEPENDENCE ON
AMAZON

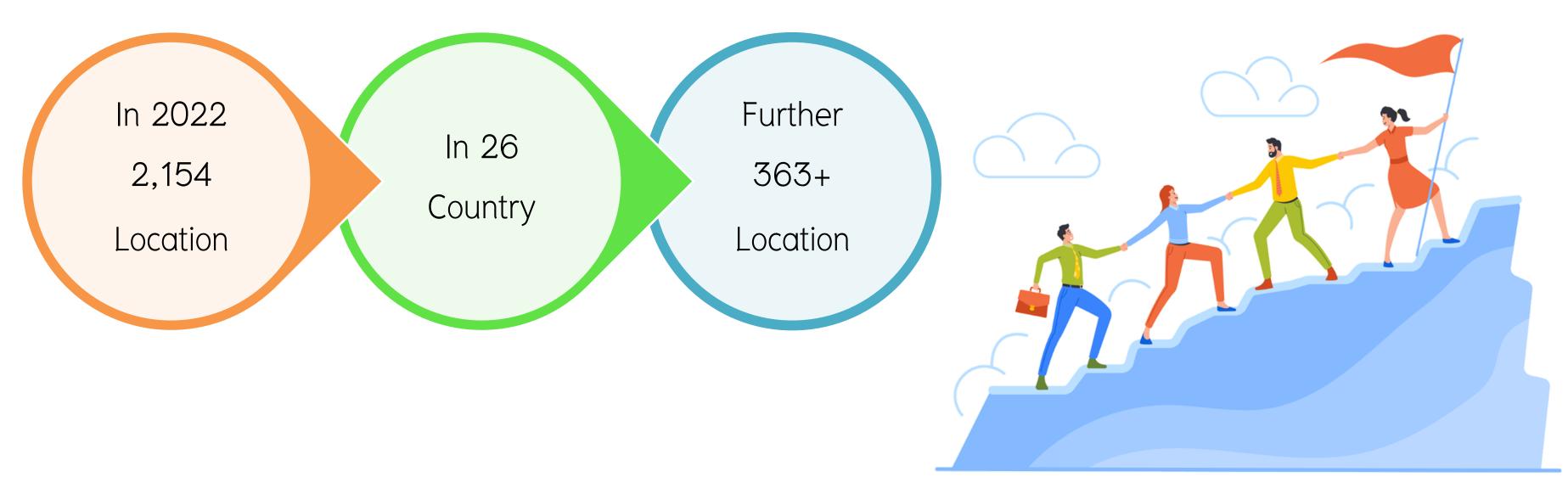
INNOVATE
LOGISTICS
FASTER AND
BETTER THAN
AMAZON

WATCH INDUSTRY
CONDUCT
CLOSELY

GO UPSTREAM
WITH PARTNERS

DISINTERMEDIATE AMAZON DEVELOP A TRUE
PARTNERSHIP
WITH AMAZON

In 2022, Amazon distribution products form E-comment support customer satisfaction



Source: (MWPVL, 2022)



Figure 1: Amazon Small Sortable Fulfillment Centers in the United States of America.

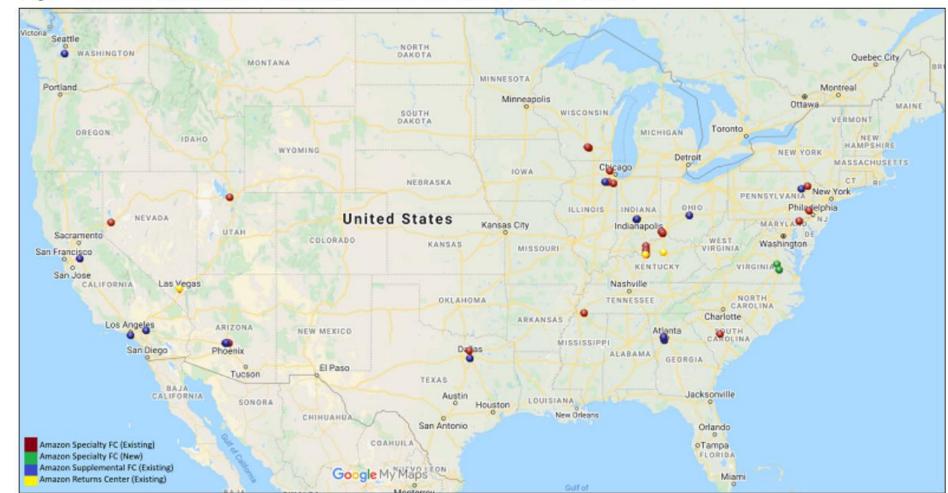


Figure 3: Amazon Specialty Fulfillment Centers, Supplemental Facilities and Returns Centers in the United States of America.

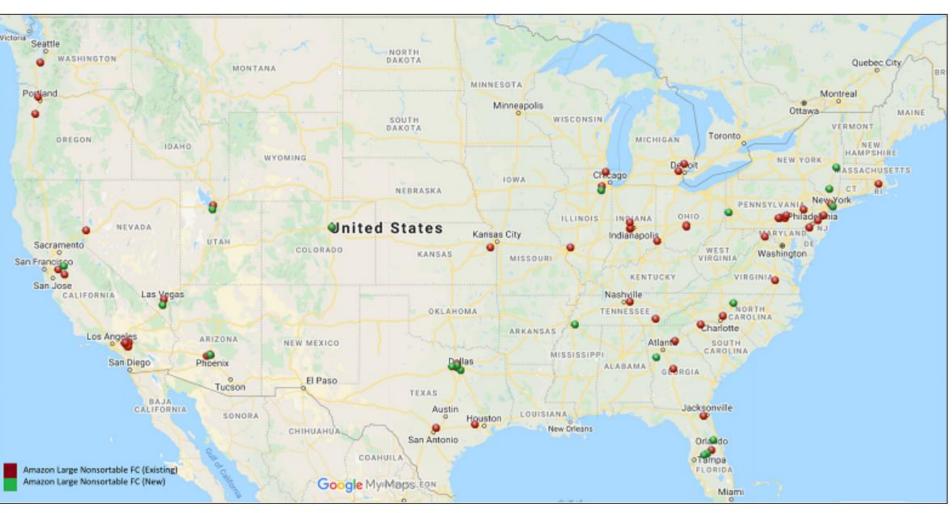


Figure 2: Amazon Large Non-Sortable Fulfillment Centers in the United States of America.

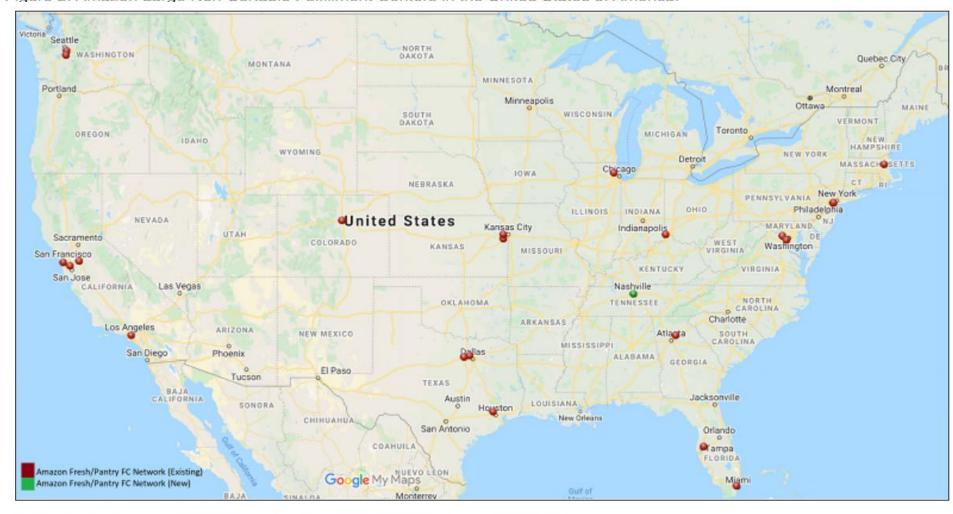


Figure 4: Amazon Food Fulfillment Centers in the United States of America.

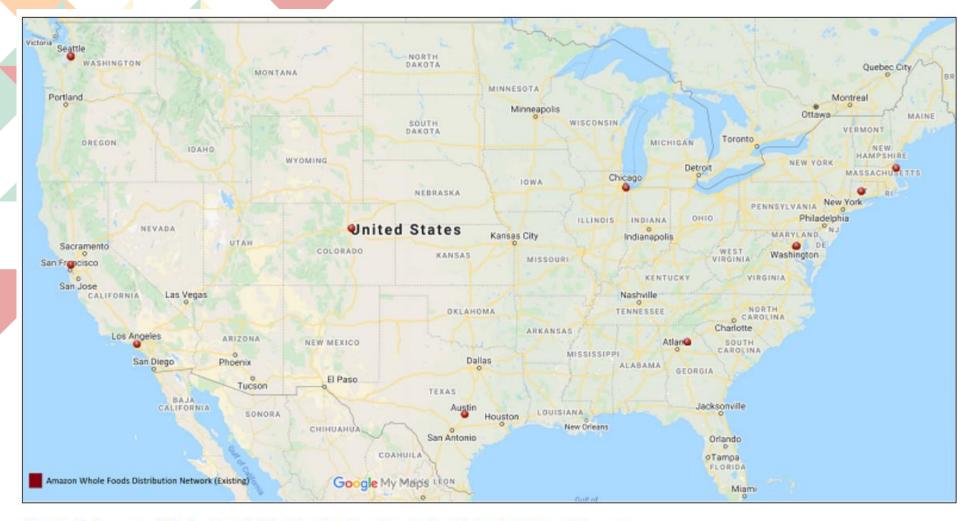


Figure 5: Amazon Whole Foods Distribution Centers in the United States of America.

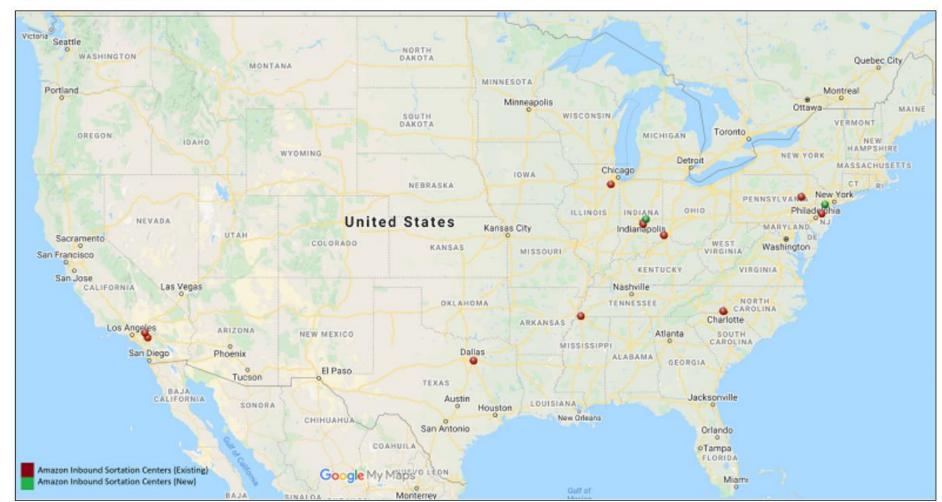


Figure 7: Amazon Inbound Receiving Facilities in the United States of America.

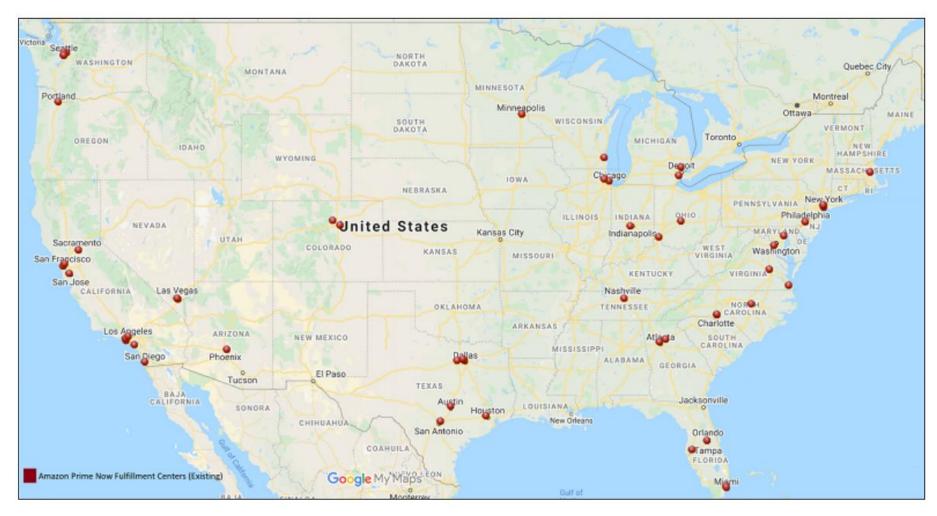


Figure 6: Amazon Prime Now Hubs in the United States of America.

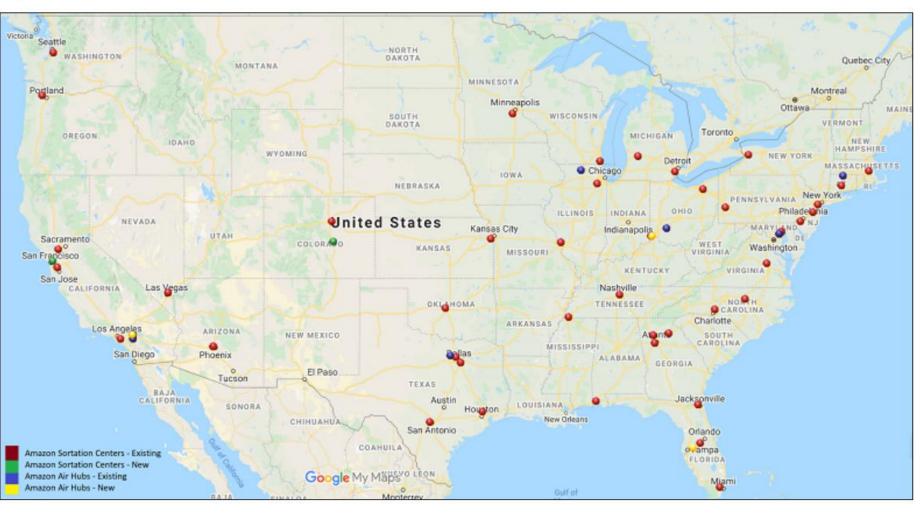
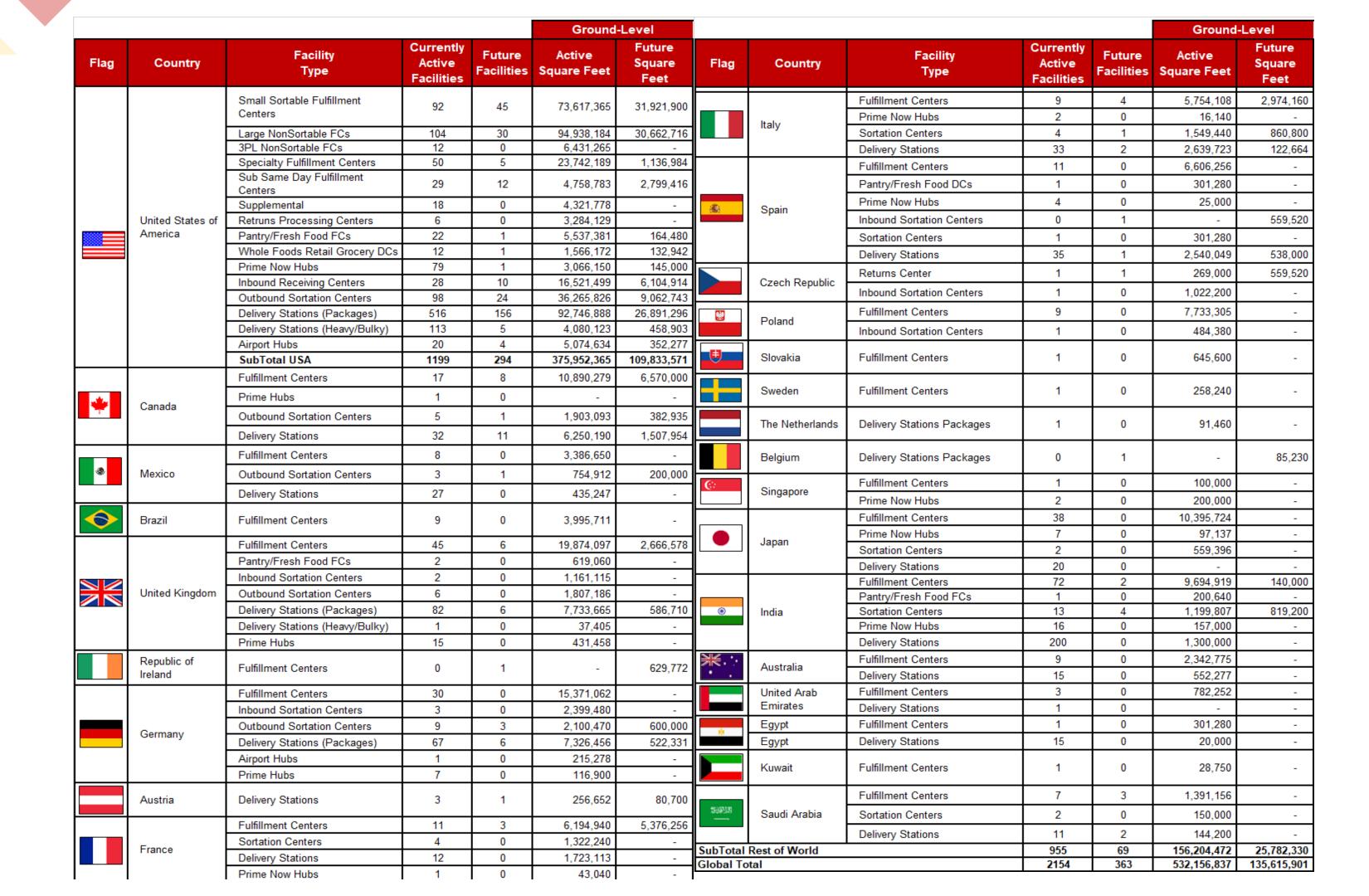


Figure 8: Amazon Outbound Regional Sortation Centers and Air Hubs in the United States of America.

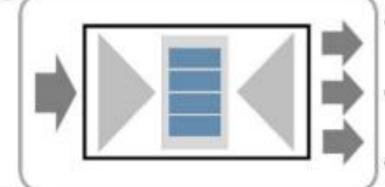


Figure 9: Amazon Delivery Stations and Heavy/Bulky Delivery Stations in the United States of America.



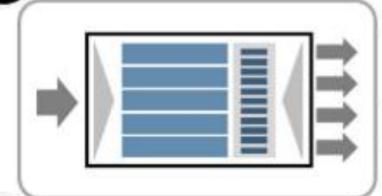
Source: (MWPVL, 2022)

1) Inbound Cross Dock



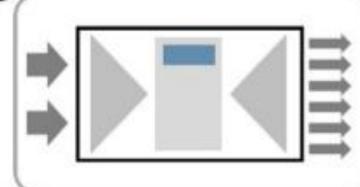
- Large-sized.
- Receiving containers and holding inventory.
- Double side cross-docking configuration.
- Close to intermodal terminals.





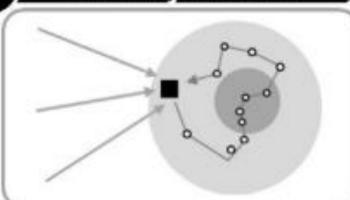
- Large-sized.
- Single side cross-docking configuration common.
- High racks automated storage.
- Item specialization.
- Access to a major parcel hub.

3) Sortation Center



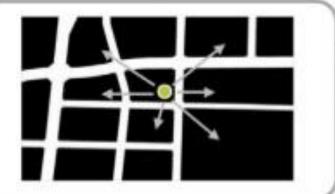
- Large-sized.
- Cross-docking configuration for loading trucks.
- Automated and semi-automated sortation.
- Accessibility to regional distribution.

4) Delivery Station



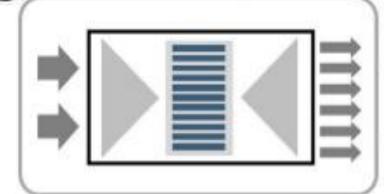
- Medium to small-sized.
- Cross-docking configuration for loading delivery vehicles.
- Periphery of metropolitan areas.

5 Local Freight Station



- Small or micro-sized.
- Store-like facility (pickup location).
- Locker banks (freight station).
- High density neighborhood locations.

6 Fast Delivery Hub



- Small to medium-sized.
- Near large metropolitan areas.
- Limited inventory of high demand items.
- Some co-location with e-fulfillment centers.

Fig. 2. Logistics Facilities Supporting E-commerce.

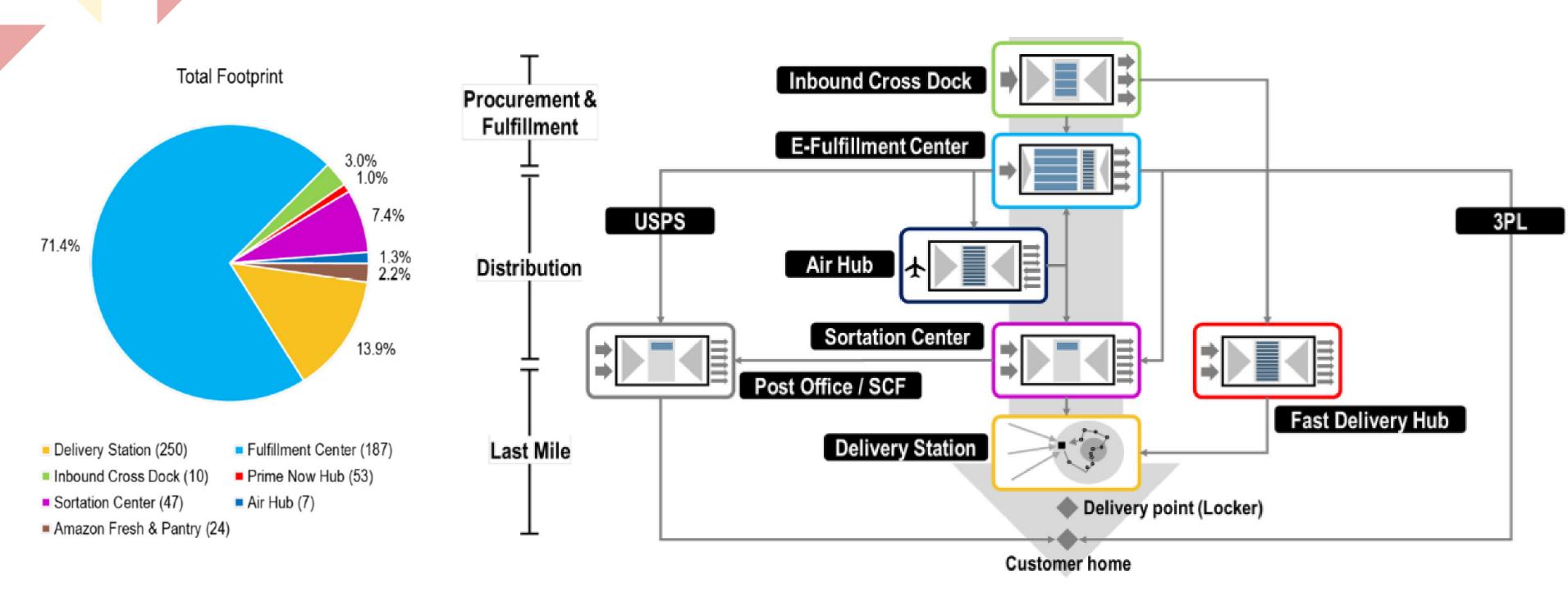


Fig. 3. The E-Commerce Supply Chain of Amazon.

Other







Walmart

Offline to be e-

Taobao

Taobao Village

JD.com

B2C