A Manhattan Magazine 2025/2026

# COMMERCE TRENDS

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# COMMERCE TRENDS

A Manhattan Magazine 2025/2026

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Henri Seroux
*Senior Vice President EMEA
at Manhattan*

**Foundations**

In this, the tenth edition of Commerce Trends, it is tempting to look back. Not only at the past ten years in which this magazine has been published, but also at the 35 years since Manhattan was founded. Since our establishment in 1990, our company has grown into the leading software provider in supply chain commerce. For me, the highlight so far has been the launch of the cloud-native Manhattan Active® Platform in 2017. With this platform, we laid the foundation for our own future and perhaps the next 35 years.

Speaking of the future, looking ahead is far more exciting than looking back, especially now, as we find ourselves on the brink of a revolution in business operations. The first signs of this came with the launch of ChatGPT almost three years ago. Today, Artificial Intelligence (AI) is not only answering our questions but also carrying out our tasks, often faster and better than we could ourselves.

Read more about Agentic AI later in the magazine, along with more customer stories than ever before. Renowned retailers and wholesalers such as Suitsupply and STG share how our applications have helped them solve some of their most complex practical challenges. Meanwhile, BESTSELLER, Zeeman and Kramp explain how they are using the Manhattan Active® Platform to lay the foundation for their own futures. While each story is unique, one thing all our customer stories have in common is the recognition that AI will play a major role in their future journeys.

Artificial Intelligence is reshaping not only the way we live, but also the way we work. It will free us from manual, repetitive and sometimes tiresome tasks, giving us more room to grow, to become the best versions of ourselves and to truly add value to the organisations we represent.

As for what the future holds, I cannot predict that. What I can confidently say is that the coming decade will bring even faster change than the last, and that success will be achieved by those organisations with the vision, will and technology expertise to seize it.

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# A new era of intelligence: retail at the edge of AI transformation

A decade of innovation has visibly transformed what retail looks like in 2025. But that pales in comparison to the technological revolution ahead of us. Henri Seroux and Raphaël Hervé discuss the limitless potential of Generative and Agentic AI. We stand on the brink of a revolution unlike anything we have seen before.

"The retail sector today is increasingly complex: high costs, ever-changing consumer behaviour and non-stop technological advances." This is how Henri Seroux, Senior Vice President EMEA at Manhattan, opened his foreword in the very first Commerce Trends edition ten years ago. That was before the pandemic, inflation reached double digits, and long before the United States imposed new tariffs. Costs have continued to rise and consumer behaviour has changed fundamentally. In recent years, the smartphone has become the device where every buyer's journey begins, with just a few taps, an order can be placed and paid for and all the brand communication and tracking – post-purchase – can be easily navigated. Thanks to this ease, consumers not only expect, but rather demand, near-instant gratification. Continuous innovation has enabled retailers to keep up in terms of their supply chain commerce strategies. Extensive digitalisation creates far more complexity in business operations, but it also enables a more granular, data-driven, personalised approach too. On the shop floor, every customer can be served with tailored offerings based on their purchase history and individual preferences. Whereas in the supply chain, it's now possible to define the optimal path for each order – from warehouse or store to the customer – based on cost and preferences. Modern technology makes it all possible.

## Revolution

Seroux confirms these developments. "There is a wide variety of products that need to be delivered in different quantities, in different ways, to people who want to receive them at different times – usually faster than before. Fulfilling these needs, often with additional services, normally results in higher costs, while retailers simultaneously face increasing pressure to reduce expenses. These conflicting priorities result in a storm of complex decisions in warehouses and stores that demand lightning-fast, informed, accurate responses."

The rapid emergence of new technologies like Generative and Agentic AI can help these responses. Most people are now familiar with Generative AI thanks to ChatGPT, but Agentic AI goes further: systems that don't just respond, but can independently analyse data, prepare decisions, and even execute them if needed. According to Seroux, Generative and Agentic AI mark the beginning of a shift far more profound than the change witnessed over the past decade. "We're facing a revolution on a scale we've not experienced since the birth of the Internet. AI is fundamentally changing how both goods and ideas are produced and used."

## AI for contact centres

Raphaël Hervé agrees. As Senior Director Technical Services, he closely follows developments in AI. "This technology is now enabling solutions that our customers have long envisioned but could never realise due to complexity, time, effort or all three. Take Manhattan Active® Maven, the AI application for contact centres that we introduced in 2024." Hervé explains that traditional chatbots only provide predefined answers to predefined questions. If a consumer asks something outside the script, the bot fails. "But Maven can respond to more nuanced questions, such as inquiries about shipping costs for a specific order. The application knows which APIs to call to check shipping options, calculate costs, and generate a clear answer. In fact, this was our first use case for Agentic AI, before the phrase was really coined."

## Workforce management

Earlier this year at Momentum, Manhattan's annual North American customer and partner event, another Agentic AI use case was highlighted, optimising warehouse staffing. A manager walking through the warehouse and unsure about operational progress can ask an AI agent via their smartphone whether all orders will be ready for shipment by the end of the day. The agent replies, sparking a conversation. Why won't we finish on time? Which zone is short-staffed? Which has spare capacity? Can we shift people to make up for the delay? "These are the questions warehouse managers face every day," Hervé says. "Previously, answering them required digging through dashboards. Now the AI agent does that, meaning a decision that once took 20 or 30 minutes now takes just a few minutes. And the agent can even implement the decision."

## Building your own agents

Hervé envisions many more use cases, such as using Agentic AI to scan various shipping documents, extract relevant data, and feed it into supply chain execution software. "We'll see more cases where Agentic AI delivers valuable insights without the user needing to consult dashboards, tables, or logs. Supply chain processes won't get simpler, but the way we use supply chain software certainly will. This leads to faster, better decisions and lower costs because users spend less time on routine tasks and can focus more on areas where they add real value."

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In addition to the agents Manhattan provides, users can design and deploy their own via Manhattan Agent Foundry. This platform offers tools to customise agents to individual processes and preferences. "Agent Foundry also provides access to all agents, whether self-developed or shared by partners in the Manhattan ecosystem. Users can activate them easily and enable communication between them using standard protocols," Hervé explains.

**Google Agentspace**
Manhattan is also exploring making these agents available through Google Agentspace, a market-place for agents that communicate with each other through shared protocols. "I foresee a future where Manhattan agents can talk to agents from other IT systems. That will allow us to automate many processes that today require manual steps and decisions," Hervé says. "The possibilities are endless. That's why it's hard to predict quite what Agentic AI will achieve. Much depends on how ready users are to embrace the technology and adapt their behaviour. That's what makes this such an exciting development." Hervé emphasises that Agentic AI won't be forced on anyone. Companies can move at their own pace. "They can be confident that the agents we release have been rigorously tested. We only launch agents that deliver optimal results. Especially for agents that propose decisions, it's essential to use reliable data and test thoroughly."

**The right foundation**
"The decision to begin developing the Manhattan Active platform pre-2017 has proved especially astute. This cloud-native platform with a microservices and API-first architecture provides a near-perfect foundation for leveraging Generative and Agentic AI. All the effort and over half a billion dollars of investment into research and development is now paying off," says Seroux. Hervé agrees. "The rise of Generative and Agentic AI confirms that our technological strategy was sound. To apply this type of AI, agents need access to platform data and functionality. That's possible thanks to the microservices and APIs underlying the Manhattan Active platform."

Another benefit is that AI can help simplify and accelerate the rollout of order, warehouse, and transportation management systems. "We can speed up implementation without compromising quality. AI can replicate system configurations while respecting local, divisional, or site-specific nuances. A lot of time is wasted on unchallenging tasks like configuring parameters stored in spreadsheets. Agentic AI can dramatically accelerate that process. It may not replace people, but it will automate repetitive tasks so they can focus on more meaningful work," Seroux explains.

**What does the future hold?**
Are companies open to Generative and Agentic AI? Both Seroux and Hervé say yes. "We saw this with the adoption of Manhattan Active Maven," says Hervé. "Beyond that, many people already use this technology in their daily lives. New generations prefer to go to a Generative AI app like ChatGPT. The quality of the answers is improving." Seroux adds: "The enthusiasm of our customers was also clear from the response to our announcements around Generative and Agentic AI. And what's great is that no upgrade is required to deploy these agents. With Manhattan Active solutions, you always have the latest version with every innovation, there at your fingertips."

What will the AI revolution bring? "It would be arrogant to claim we know the answer. The future is unpredictable, especially now. Who could have imagined three years ago that we'd be in the midst of an AI revolution?" says Seroux. "What we do know is that with the Manhattan Active platform, we offer a solid foundation to participate in this revolution and that AI agents will help our software modules work even more seamlessly – from order management to warehouse and transportation management, and from supply chain planning through to overall supply chain execution."

# Kramp: ten years into their excellent supply chain execution journey



Ten years ago, Kramp presented its plans to implement Manhattan's Order Management System (OMS) in the inaugural edition of Commerce Trends. A decade later, Europe's largest wholesaler of agricultural technology is preparing for the next stage in its digital transformation. "We are modernising the core of our IT landscape with the implementation of Manhattan Active® Omni. Once complete, it will enable us to accelerate our commercial performance," says Ebel Noorman, Director IT Operations & Fulfilment at Kramp.

**K**ramp supplies the widest range of parts and accessories for Europe's agricultural sector, offering more than 500,000 items directly from stock. Customers placing an order today often receive their parts the following night, or at the latest, the next day. " We have an excellent web shop that reaches customers in 22 countries but our true differentiator lies in supply chain execution," Noorman explains. "With eleven warehouses across Europe, we remain close to our customers and deliver exceptionally fast. Every day, we strive to make our supply chain faster, better, and more efficient."

### Reducing complexity
Over the past decade, Kramp has significantly improved the efficiency of its supply chain. The previous strategy, serving every customer from any warehouse, created unnecessary complexity. "It was technically possible for a customer in Spain to receive a shipment from Finland simply because the part happened to be in stock there. That level of flexibility added cost and inefficiency," says Mirko Schuurman, Director Digital Transformation at Kramp. "We have become far more disciplined in reducing complexity, which lower costs and improves performance."

> **"THE OMS UNDERPINS THE PROMISES WE MAKE TO OUR CUSTOMERS AND ENSURES WE FULFIL THEM."**
> *Ebel Noorman, Director IT Operations & Fulfilment at Kramp*

Today, slow-moving items are now stocked centrally in the Varsseveld warehouse in the Netherlands. "That one part previously stored in Finland is now located in the Netherlands," Noorman adds. "If a Spanish customer places an order, the system first checks the local warehouse. If it's not in stock there, it checks the regional warehouse in France. If it's not there either, we can dispatch it from the Netherlands, either through the local warehouse or directly via express delivery."

### Central role of OMS
Manhattan's order management system (OMS) plays a crucial role in this process. When a customer places an order, the system determines where the item is in stock, identifies the most efficient transport method, and calculates the delivery time. "The OMS is the linchpin of our warehouse network," says Noorman. "It underpins the promises we make to our customers and ensures we fulfil them. The moment a customer clicks 'order', the system triggers execution by sending the instructions to the correct warehouse."

Sometimes, the instruction doesn't go to a warehouse but directly to a supplier. "Some items might only be ordered once a year, yet we still want to offer them. That's why, in recent years, we've expanded our assortment with items stocked by our suppliers rather than in our own inventory," says Schuurman. "When a customer orders these, the OMS automatically places an order directly with the supplier. This allows us to offer an additional two million items in addition to the 500,000 we have in stock, a number that continues to grow."

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### Smoothing out peaks

The OMS also enables Kramp to smooth out workload peaks in their warehouses. Many customers, mainly local dealers repairing and maintaining agricultural vehicles, add items to their digital shopping baskets throughout the day but confirm their orders in the evening. That's when Kramp traditionally starts picking orders. "We prefer to start earlier to reduce pressure on the warehouses. That's why we encourage customers to confirm each item as they add it to their basket," Schuurman explains. "The OMS then predicts, based on order history, whether it's likely to be a standalone order or if more items will follow. If it's just one, we pick it right away but if more are likely, the system holds off and consolidates everything into a single order for fulfilment at the end of the day." Kramp is currently evaluating the opportunity to complement its 24-hour delivery service with additional options. These may include express delivery, as well as flexible scheduling services that allow customers to select a fixed day of the week or a specific future time for their shipments.

### Removing ERP bottlenecks

Kramp is now embarking on a new digital transformation to strengthen the role of its OMS. "Until now, our ERP system has sat between the order management and warehouse management systems. Every OMS instruction passes through the ERP, and that legacy setup limits our capabilities. That's why we're now working to remove our ERP from the equation," says Schuurman. Kramp is also using this project to migrate to Manhattan Active Omni, the cloud-native application for order management. "By moving to Manhattan Active Omni, we'll always be up to date and automatically gain access to new features every quarter without the need upgrades," Noorman explains.

### Designed for B2B

Manhattan Active Omni's expanded B2B capabilities are particularly valuable to Kramp. "B2B companies have slightly different needs compared to the B2C sector," Noorman explains. "For example, the ability to hold and consolidate orders until the end of the day is critical for us. We have formed a dedicated user group to provide feedback to Manhattan and many of our suggestions are now reflected in the platform. Manhattan genuinely listens to its customers," Schuurman adds. Manhattan continues to play a leading role in this digital transformation. "There's still work to be done before we go live with Manhattan Active Omni," Noorman notes. "Multiple integrations with other systems need to be built and tested and Manhattan is leading both the design and implementation phases."

### Positioned for growth

Once the transformation is complete, Kramp will have built a strong foundation for future growth. Alongside Manhattan Active Omni, this foundation includes Oracle's ERP system, supporting functions such as purchasing and finance. "We're not simply upgrading systems; we're harmonising and standardising our processes. By building a standardised foundation now, we create the conditions for accelerated growth later," says Noorman. Schuurman concludes: "We already have a strong presence in Germany, France, and the Benelux, but significant opportunities remain in Southern and Eastern Europe. With a unified IT landscape, we can integrate new businesses faster and capitalise on these growth opportunities."

**KRAMP**

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Enterprise buyers today expect the same real-time visibility, flexibility, and control as consumers do from the brands they interact with, yet most ERP systems were designed for financial transactions with the dynamic, inventory-intensive demands of today's supply chains often cause issues. Manhattan's Enterprise Promise & Fulfill™ (EPF) is the new breakthrough cloud-native solution that transforms traditional order management by augmenting existing ERP systems with advanced capabilities to maximise inventory visibility, intelligent order promising, and fulfilment optimisation.

# How consumerisation changes B2B order fulfilment

The solution empowers manufacturers, global brand owners, wholesalers, and distributors to elevate their fulfilment performance and improve customer satisfaction, without the need for costly ERP overhauls. Purpose-built to meet the growing demand for smarter, faster, and more transparent B2B fulfilment, EPF addresses the most pressing challenges enterprise merchants face: from limited inventory visibility, manual exception handling and inaccurate promising, to fragmented order orchestration, and increasing fulfilment costs.

**Five key areas that Enterprise Promise & Fulfill™ helps to address**

- Lower shipping and freight costs: By consolidating multiple orders into one bulk shipment, B2B merchants reduce the number of shipments, reducing freight and last-mile delivery costs.

- Improved distribution centre and warehouse efficiency: The consolidation of orders leads to more efficient operational efficiency and lowers labour costs by reducing order picking, packing, and handling workloads through fewer shipments.

- Faster, more reliable deliveries: Order consolidation ensures customers receive their items in one shipment, avoiding delays, while the risk of incomplete or backorders caused by split shipments is further reduced too.

- Enhanced customer experience: Order consolidation enables a B2B merchant to support buyer preference for fewer, well-organised deliveries over multiple fragmented shipments. It also helps customers plan better with predictable bulk deliveries too.

- Reducing carbon footprints: Order consolidation reduces the number of shipments, meaning fewer truckloads, lower emissions and also helps shrink carbon emissions by reducing packaging waste too.

The next generation of shoppers, shaped by digital-first experiences, instant gratification and heightened expectations, is forcing retailers to reimagine what checkout means. The traditional view of checkout as simply the final stage of the customer journey is being fundamentally challenged. A new approach is emerging that balances operational excellence with deeper engagement and personalisation for an enhanced overall customer experience.

# The empowered exchange: checkout experience in 2025

Holly Worst,
*Vice President of Retail at Adyen*

Payment has emerged as a strategic lever for customer experience, not just a transactional necessity. Leaders achieve 15% higher average order values through flexible payment experiences - validating that payment innovation directly drives revenue growth. 80% of leaders offer a sophisticated mix of payment options seamlessly integrated across channels, versus 62% of others, while 70% of leaders maintain unified payment experiences with smart promotions across channels, versus 42% of others. At Dick's Sporting Goods, payment orchestration provides customers with a wide variety of seamless options, including credit cards, digital wallets, and flexible 'Buy Now, Pay Later' (BNPL) services. These options are integrated across online and in-store channels.

## The intelligent cart
The shopping cart has transcended its role as a mere collection point for transactions. Leaders have reimagined it as a dynamic hub of customer engagement that adapts and evolves with each interaction. This isn't just about syncing items across channels - it's about creating a living, breathing touchpoint that understands and anticipates customer needs while removing friction from the journey to purchase. Leaders see 20% lower cart abandonment rates compared to industry average - compelling evidence that reimagined cart experiences directly drive conversion.

At Sephora, predictive cart recommendations suggest complementary products based on previous purchases and browsing behaviour. For example, adding a foundation triggers recommendations for matching concealers and primers.

## The empowered exchange
The final moment of purchase is no longer just a transaction; it's transformed into an opportunity for deeper connection. Leaders have reimagined checkout as a strategic touchpoint where digitally empowered associates can strengthen customer relationships while efficiently closing sales. This represents a shift from checkout as a process, to checkout as a platform for engagement. The value is undeniable: Leaders see 1.25x higher customer lifetime value from customers who engage with digitally enabled associates during checkout, proving that empowered associates drive lasting customer relationships. At Ikea, associates are equipped to access and complete customer carts initiated online, resulting in an entirely frictionless checkout experience. They can assist with product recommendations, verify inventory availability, and seamlessly close sales in-store.

## The end of traditional checkouts?
While the evolution of checkout capabilities continues to accelerate, the core challenge remains unchanged: how to balance efficiency with engagement, automation with human touch, and consistency with personalisation. Adyen research also suggests the blurring the lines between online and in-store shopping, especially when it comes to Gen Z's expectations for the checkout. Even though Gen Z enjoy shopping in-store, 60% will leave without buying anything if the checkout lines are too long. Another issue is the availability of payment methods, over a quarter (28%) of Gen Z shoppers will abandon a purchase if their preferred method isn't available. Consumers in this age bracket expect

**EVEN THOUGH GEN Z ENJOY SHOPPING IN-STORE, 60% WILL LEAVE WITHOUT BUYING ANYTHING IF THE CHECKOUT LINES ARE TOO LONG.**

to check out how they want, on their terms. As social commerce continues to gain ground, pioneering new ways to integrate checkout capabilities into social platforms, while maintaining brand experience and operational efficiency, will be key. Forward-thinking retailers are also experimenting with agentic AI capabilities that anticipate customer preferences and pre-configure online checkout experiences, while in-store options like Adyen's Tap-To-Pay (iPhone and Android) capability enables customers to pay anywhere in store. The combination of technology and evolving consumer needs means the next wave of checkout innovation may well eliminate the concept of dedicated 'checkouts' entirely.

## Key question
The leaders profiled in Manhattan's latest Unified Commerce Benchmark report offer a blueprint for transforming checkout from a necessary process into a strategic advantage. The key question is this: can businesses strike a balance where technology enhances, rather than replaces, human interaction, all the while maintaining the personal touch many customers appreciate - especially in service-centric industries like specialty retail.

Download the Unified Commerce Benchmark for Specialty Retail 2025.

# Powering the modern transportation management experience

Transportation is the backbone of supply chains, essential to ensuring goods are delivered on time and meet customer expectations. Yet managing it is becoming increasingly complex, pressured by demands on shorter fulfilment times, capacity and cost efficiencies, tighter sustainability regulations, tech advances and the growing requirement for end-to-end visibility across all operations.

**U**nderscoring these challenges, recent global research from Manhattan Associates found that 87% of respondents anticipated challenges in areas such as operational visibility, AI adoption and sustainability compliance would intensify, leaving their current transportation management systems (TMS) struggling to keep pace by 2030. Agility is no longer a buzzword used in business pitches and email blasts, it's a doctrine, a creed, a prerequisite for survival, meaning the efficacy of a TMS is now a business critical question.

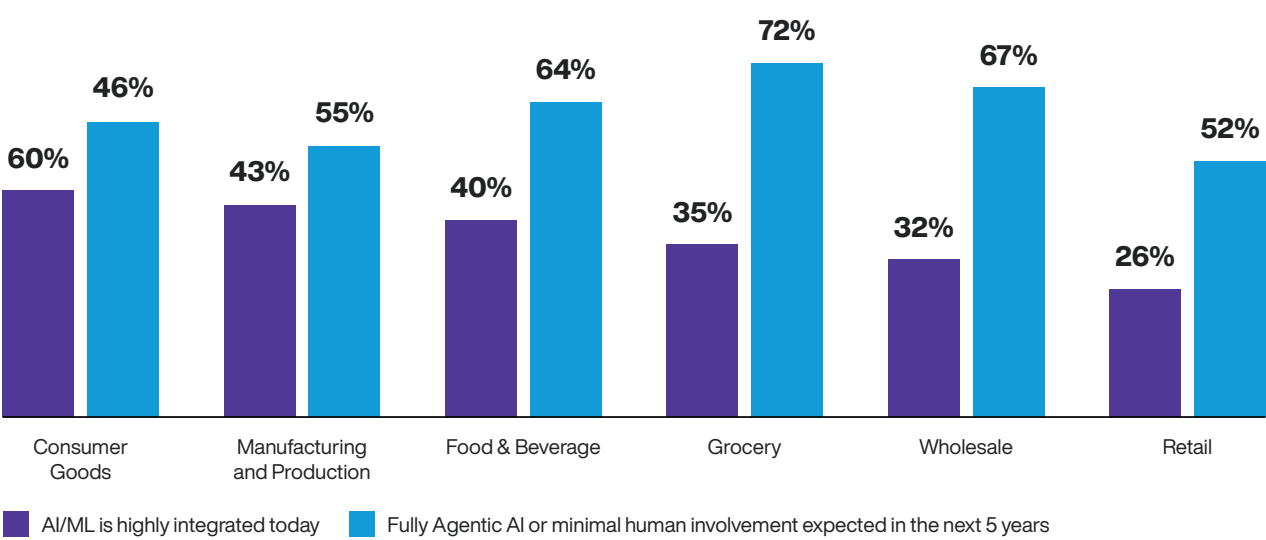### Changing the playing field
Microservices are a game-changer for supply chain agility, coordinating and optimising movements, allowing for quick reactions and evolutions. Individual components can be updated, upgraded or replaced without affecting the entire health of the system. This allows for faster adaptation to changing market conditions, customer demands and technological advancements. If you need a new feature, simply deploy it seamlessly without having to repair the whole system. Development cycles are shorter, and deployments are faster

because teams can work on individual components simultaneously. The result? Continual 90-day innovation cycles, allowing for the best responses to emerging real-world threats and customer needs. Componentised microservices allow companies to select and implement only the components they need, avoiding the bloat and cost of traditional TMS, making for more tailored and cost-effective solutions that deliver greater value. The architecture also enables automatic scaling of functionalities as needed, ensuring the solution can handle growing data volumes and evolving business requirements too - critical when you consider the rise of AI.

### Quicker ROI
It's no secret. The quicker the implementation the faster you can start delivering ROI. From cost savings associated with optimised routing and the improved efficiency of automation, to the enhanced visibility of data for better decision-making and the lower costs of training and configuration, a componentised approach enables companies to achieve a greater and (critically) faster return on investment.

## Current reality vs future expectations about AI: by sector



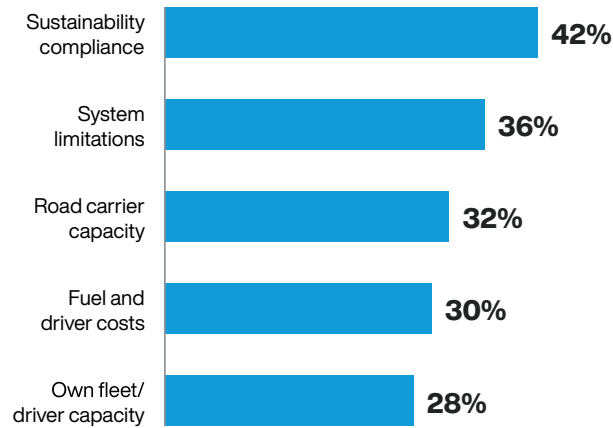| | Consumer Goods | Manufacturing and Production | Food & Beverage | Grocery | Wholesale | Retail |
|---|---|---|---|---|---|---|
| AI/ML is highly integrated today | 60% | 43% | 40% | 35% | 32% | 26% |
| Fully Agentic AI or minimal human involvement expected in the next 5 years | 46% | 55% | 64% | 72% | 67% | 52% |

### Agentic AI
By 2030, 61% of organisations anticipate fully autonomous Agentic AI, capable of acting independently to achieve specific transportation management goals, however, only 37% have deeply integrated AI and machine learning in their TMS today. By operating on a platform-based, microservices architecture, organisations can add or modify specific modules and technologies to fit exact requirements. Need specialised logic for carrier selection? Build it. Want to add Agentic AI capabilities? Just connect it, without lengthy development cycles or costly overhauls. While you might consider five years in the AI space like an eon, the gap between future expectations and current usage is noteworthy given adoption is rarely straightforward.

Although almost half of the respondents (48%) said that they already feel very prepared for autonomous agents by 2030, practically every organisation (99%) reported facing, or expecting to face, hurdles, with concerns including skill shortages (49%), integration difficulties (44%) and data quality and availability issues (44%).

### Balancing priorities
Navigating the complexities of today's rapidly evolving commerce landscape is becoming more challenging and modern transportation management demands organisations balance a range of competing priorities. Whether it's the challenges of evolving sustainability mandates, expectations around AI or the need for more

## Most cited transportation limitations expected to impact performance over the next 5 years



| | |
|---|---|
| Sustainability compliance | 42% |
| System limitations | 36% |
| Road carrier capacity | 32% |
| Fuel and driver costs | 30% |
| Own fleet/ driver capacity | 28% |

**IT'S NO SECRET. THE QUICKER THE IMPLEMENTATION THE FASTER YOU CAN START DELIVERING ROI.**

visible, actionable data insights, looking ahead, these demands are only set to intensify, increasing the pressure on organisations to run transportation operations in smarter more intuitive ways. With autonomous agents set to revolutionise transportation management in the near future and a continually shifting landscape of competing priorities, delivering the transportation management experience of tomorrow starts right here, today.



Download Manhattan's report on transportation management.

# BESTSELLER: global fashion powered by innovation and transparency

Founded in Denmark 50 years ago, BESTSELLER is an internationally family-owned fashion company with a strong foundation and more than twenty brands including JACK&JONES, ONLY and VERO MODA. There are approximately 2,800 branded BESTSELLER retail stores in 44 countries globally. The wholesale business sells products to more than 16,000 multi-brand and department stores globally. To orchestrate this network, BESTSELLER turned to the Manhattan Active Supply Chain Execution suite.

Its distribution network consists of five proprietary warehouses in Denmark, complemented by a network of regional logistics partners and a state-of-the-art automated distribution centre under construction in the Netherlands. This upcoming 155,000 m² facility built largely from FSC-sourced timber reflects the company's commitment to design, innovation, and technology. Speed is as critical as accuracy. When a new collection arrives at a warehouse, the exact quantities for each store are already planned, leaving the warehouse to fulfil orders flawlessly and on time.

**Future-proof supply chain**
To keep pace with its growth, BESTSELLER needed a modern Warehouse Management System (WMS) capable of unifying processes across regions and accelerating global expansion. The answer was Manhattan Active Supply Chain Execution, a cloud-native replacement for the company's legacy custom-built system. The platform ensures globally consistent warehouse and transportation processes for a truly unified supply chain and provides a powerful advantage: a fully integrated Warehouse Execution System (WES) to orchestrate advanced automation, including shuttles and robots. "We originally selected Manhattan's warehouse management system in 2019, but the pandemic delayed implementation. Taking Manhattan's advice, we transitioned to Manhattan Active Supply Chain Execution - a cloud-native, fully unified platform combining warehouse and transport management. It proved to be the right decision. Today, we benefit from quarterly automatic updates and the latest innovations", says Svend Sørensen, Supply Chain TECH Product Owner at BESTSELLER.

**Intelligent orchestration**
The Manhattan Active WM is operational in three Danish warehouses, including the Taulov site, which uses an Exotec automated storage and retrieval system (AS/RS). Nearly 90 robots move bins of clothing and accessories to eight workstations, where operators pick and pack with speed and accuracy. The Manhattan application orchestrates these automated workflows alongside all the other warehouse processes, ensuring a seamless, high-performance operation. BESTSELLER will continue to roll out the Manhattan solution wherever operational control is required, including the new >

**"PROCESSES NOW RUN AS INTENDED WITH THE RIGHT ORDERS PICKED, PACKED AND SHIPPED ON TIME."**
*Svend Sørensen, Supply Chain TECH Product Owner at BESTSELLER*


WHO IS BESTSELLER?

# Supply Chain Execution

# Make a unified supply chain possible

It's time to break down the silos and barriers of legacy technology. Manhattan Active® Supply Chain unifies distribution and transportation and unlocks unprecedented adaptability, coordination and productivity. Put the power of a cloud-native platform to work for you.

Visit **manh.com** to learn more.



**"A SINGLE SOLUTION SIMPLIFIES PLANNING AND ENSURES SHIPMENTS ARE READY WHEN CARRIERS ARRIVE."**
*Svend Svend Sørensen, Supply Chain TECH Product Owner at BESTSELLER*

Lelystad warehouse in the Netherlands. This site will feature Europe's largest shuttle system, designed to house 1.4 million bins and 1,400 robots. Sørensen: "Integrating with advanced AS/RS systems made this one of our most complex projects. Manhattan's consultants were instrumental, always listening, providing honest feedback, and offering smarter alternatives when ideas weren't feasible. That partnership was key to our success."

**Cost efficiency**
Migrating from legacy systems to the Manhattan Active Platform marked a significant transformation for BESTSELLER, and a substantial change for their warehouse teams. Initial adjustment soon gave way to improved performance with operators now working faster, more accurately and efficiently than ever. Following go-live, BESTSELLER achieved a significant reduction in cost per order line and improved visibility across the supply chain. Every box can now be tracked from warehouse receipt to store delivery, enhancing overall operational quality and control. "The biggest gain is quality. Processes now run as intended with the right orders picked, packed and shipped on time. When we leverage the Manhattan Supply Chain Execution suite fully, productivity gains and cost reductions follow naturally." This is only the beginning, Sørensen emphasizes: "We're exploring Yard Management, Appointment Scheduling, Labour Management, and the exciting potential of AI. Manhattan's innovation roadmap promises to make life even easier for our teams."
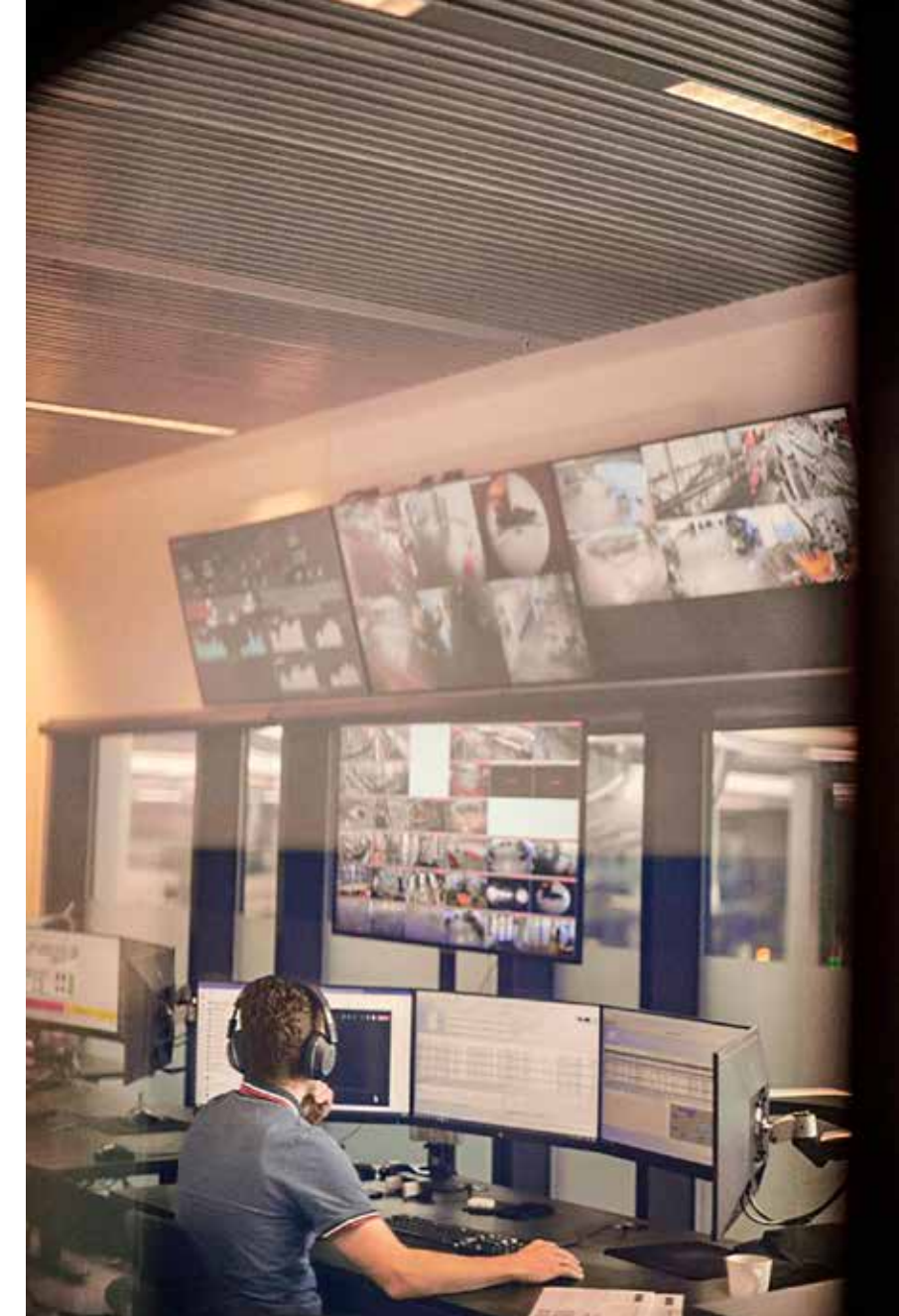
**A unified supply chain**
With warehouse management optimised, BESTSELLER is extending the platform to transportation management. This unified approach allows seamless coordination from planning to fulfilment, reducing friction, improving responsiveness, and lowering costs. After optimising outbound flows, inbound processes are next, with Manhattan as a long-term innovation partner. Sørensen: "Unifying warehouse and transportation management brings tremendous benefits. We serve many customers with different needs, transport modes, and schedules. A single solution simplifies planning and ensures shipments are ready the moment carriers arrive. With Manhattan, we're unlocking even more potential in our supply chain."

Download the case study.



**Manhattan**

**BESTSELLER**

# Positive disruption: is your retail strategy ready for six generations in one marketplace?

This era is the first time there have been six generations of consumers co-existing, spending and influencing retail models: The Silent Generation (1928-45), Baby Boomers (1946-1964), Generation X (1965-1980), Millennials (1981-1995), Gen Z (1996-2010) and Generation Alpha, (2010-2024). These generations were raised in significantly different social, cultural, technological and political atmospheres which have ultimately begotten different values, wants, and needs in adulthood. No more keenly have these differences been felt, than in the fast-paced world of retail.

In the old world, brands were at the centre of the consumer journey - today, people are. Millennials, Gen Z and increasingly Generation Alpha are shopping online and directly through social media, while Baby Boomers and Gen X customers remain more focused on practicality and value, largely preferring physical shopping experiences. Nevertheless, the age-old mantra of retail holds true: brands need to be where their customers (whatever their age) are. The challenge today, however, is how can brands traverse the infinite loop of inspiration, exploration, community and loyalty when each generational cohort has different expectations.

Pieter Van den Broecke,
*EMEA Leader Supply Chain Strategies at Manhattan*

**Transformational shopping behaviour**
While the changes in shopper behaviour have been largely incremental between the Baby Boomer and Millennial generations, the acceleration of change between Millennials and Gen Z has been transformational. Gen Z has grown up with radically different priorities, influences, and technology than previous cohorts, causing their path to purchase to blur somewhat. Brands are grappling with the fact that their primary marketplace (social media) is also their entertainment centre, social hub, learning platform, and news source, making shopping a medley of influences and mindsets.

Disruption is everywhere and a belief that the old ways of working, planning and fulfilling customer expectations will succeed in the future is flawed. To be relevant today, brands need to know and understand their consumers. They must be authentic and real, communicate in context and create experiences that emotionally engage.
Forget the specifics of demographics for one moment and let's take a step back and look at the big picture. For all the data, nuance and generational exceptions, the one thing we're really talking about is the ability to meet large-scale, profound changes when they happen. Sounds simple when you think about it like that, but so often brands today are still held back by dated technological stacks, incapable of providing the practical innovation needed at the pace required to manage shifting consumer demands.

**Unified supply chain commerce**
In order to move at pace, innovate into the white spaces and take advantage of technological advances like Agentic AI, brands need to connect supply chain and commerce functions together in a single, unified platform approach. We call this supply chain commerce: the process of transacting and orchestrating the flow of goods and services to and from businesses to the end consumer. It includes every step involved in manufacturing final products, distributing them to retail markets, and delivering them to the ultimate customer through direct shipment or a network of retail stores. The end goal is to have all solutions interact and co-exist to master the art of supplying customers with the goods they want; how, where and when they desire them, regardless of their generational cohort.
Supply chain management software separately focuses on unifying the journey from raw materials to manufacturing to distribution to retailer. Omnichannel commerce software focuses on providing a consistent customer-facing retail experience across every sales channel, either digitally or in-store. This is made possible by connecting the back-end retail operations to the front-end via unified platform technology, enabling interaction with the customer whenever needed. The end goal of supply chain commerce is to have all solutions interact and co-exist to master the art of supplying customers with the goods they want; how, where and when they desire them, regardless of their generational cohort.

**Disruption is the new normal**
Disruption has become commonplace and (like it or not), it will continue as new generational cohorts like Generation Alpha (and eventually Beta) begin to exert their influence through wallet share - disruption is the new normal. The only true answer to disruption and evolving, fast-paced consumer trends and expectation is to have a unified approach that delivers greater agility, flexibility and innovation across your entire supply chain and commerce offering.

Forget the naysayers, retail isn't dying, it's being reborn as a networked, AI-powered, omnipresent engine of connection. The only question that you really have to ask yourself is this: 'do we have the vision and the tools to keep up?'

Zeeman is one of Europe's largest textile discounters, with over 1,400 stores across eight countries, all supplied from its distribution centre in Alphen aan den Rijn, the Netherlands. The company's mission is best captured by the Dutch word 'zuinig', which means both cost-conscious and caring. That ethos also extends to the supply chain, which is designed to deliver products from factory to store at the lowest possible cost, with consideration for people and the planet.

The implementation of Manhattan Active® Warehouse Management was carried out successfully in July 2023. The subsequent commissioning of all systems the following year, spanning both software and hardware, was a significant and highly complex project. While it brought a range of operational and technical challenges, overcoming these has equipped Zeeman with a more resilient and future-ready supply chain foundation. Now, one year into their transformation journey, Zeeman's distribution operations have seen a significant performance uplift. The results include improved delivery accuracy, enhanced inventory precision, and greater overall operational efficiency. Equally important, the new warehouse management system has provided Zeeman with deeper insight into, and increased control over, its logistics processes.

**Need of modernisation**
Zeeman's distribution centre was in urgent need of modernisation. Its equipment was nearing end-of-life, and the outdated custom software could no longer meet the rapidly evolving demands of the market. Zeeman sought an integrated solution that would enable fast and efficient distribution of new products to stores, while ensuring timely and accurate replenishment of never-out-of-stock items. The solution also needed to support a more granular distribution process. The company was looking for a scalable, future-proof WMS capable of supporting both manual and automated processes. A key implementation challenge was maintaining uninterrupted distribution operations throughout the transition.

# Seamless by design: Zeeman's distribution transformation

"Around 80% of our goods arrive by sea freight. Once containers are unloaded, most of the uniform boxes of clothing are shipped directly to stores with minimal handling. With the new setup, we can operate a more granular distribution model, optimising store-level stock and better serving our customers," says Bas Hoekstra, Supply Chain Director at Zeeman.

**"BEING A CLOUD-NATIVE SOLUTION, WE BENEFIT FROM CONTINUOUS UPDATES WITHOUT DOWNTIME."**
*Barry van der Groep, IT Director at Zeeman*
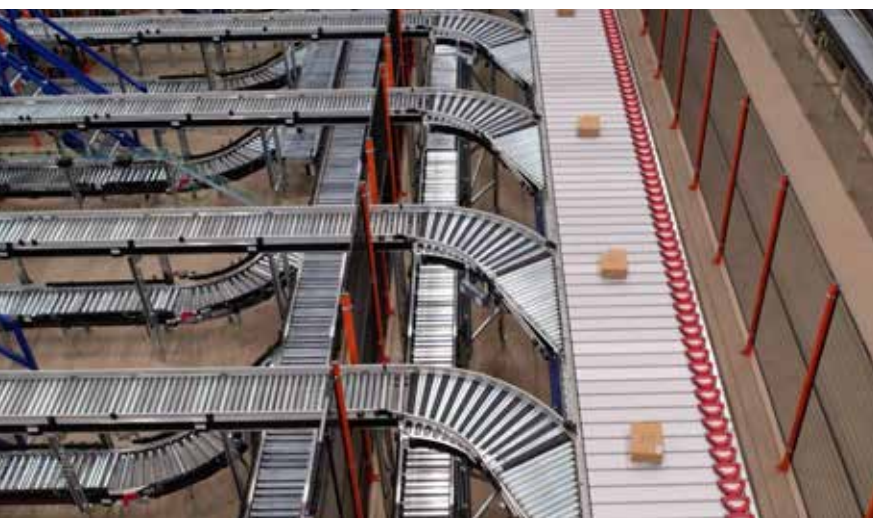


### Seamless integration

As Zeeman invests heavily in automation, the new WMS had to integrate seamlessly with a wide range of hardware and software systems. Given the company's unconventional logistics model, the WMS also had to allow for tailored logic to match operational practices. Other key selection criteria included functional depth, real-time visibility, platform stability, and open architecture.

With Manhattan, Zeeman not only implemented a new WMS but also gained a strategic partner. Throughout the project, Manhattan contributed deep supply chain and high-volume retail expertise, along with the technical knowledge required to address Zeeman's unique operational challenges. "Manhattan Active WM is now one of our core systems. We aim to align our entire IT landscape around these core applications, making full use of their capabilities now and into the future. Being a cloud-native solution, we benefit from continuous updates without downtime. Its microservices architecture lets us deploy new features immediately," says Barry van der Groep, IT Director at Zeeman.

### Teamwork in action

The distribution centre was almost entirely redesigned. At its heart is a shuttle system that stores goods destined for stores. Orders are picked

**"WITH THE NEW SETUP, WE CAN OPERATE A MORE GRANULAR DISTRIBUTION MODEL, OPTIMISING STORE-LEVEL STOCK AND BETTER SERVING OUR CUSTOMERS."**
*Bas Hoekstra, Supply Chain Director at Zeeman*

using pick-to-light, with shipping boxes temporarily stored in the shuttle system. When trucks are ready to depart, boxes are moved to workstations and stacked on roll cages using carefully designed patterns. Manhattan Active WM orchestrates the entire process from start to finish, ensuring timely store deliveries. Jonatan van der Geest, Product Owner Supply Chain at Zeeman: "Due to the project's complexity, we took a phased approach, running the legacy system alongside the new WMS for a time. With Manhattan's support, we assessed the right moments to progress to each new phase. Every time, the Manhattan team was there to take the next step with us. A real demonstration of teamwork."

The new process has significantly improved store replenishment quality, leading to better product availability and higher in-store sales. The distribution centre can now handle more volume, inventory accuracy has increased and efficiency has risen. With greater process predictability, Zeeman now has much more control over its operations. "The solution gave us exactly what we needed: scalability, control, and integration power. The entire process is now measurable. Thanks to real-time dashboards,

we have a much clearer view of operational performance and can better manage productivity," says Alexander Sinigaglia, Senior Project Manager at Zeeman.

### Continued growth and optimisation

Modernising the distribution centre is part of a broader digital transformation, involving a complete refresh of the IT landscape and full digitisation and automation of all processes. The aim is to lower costs and support future growth, with complete supply chain alignment, from suppliers in Asia to stores across Europe. Manhattan remains a key partner, with regular strategy sessions between both teams to plan for the future.
"In our pursuit of supply chain excellence, we're expanding from inside the distribution centre outward. Manhattan's labour management solution can help us maximise workforce productivity. And with our growth plans and limited space, we're also looking closely at yard management," says Hoekstra. Van der Groep: "Choosing Manhattan meant choosing a strategic partner with a promising future. We see a huge potential for Zeeman in leveraging Manhattan's innovation in Agentic AI moving forward."





Download the case study.

Physical retail spaces continue to play a crucial role in the retail ecosystem. The in-store experience often augments (rather than replicates) the online offering. In the era of unified commerce, the store is reinventing itself to occupy a new place in the retail lexicon. However, the real renaissance of the retail industry may be yet to come.

# Retail renaissance: reinventing retail in the era of unified commerce



Martin Newman,
*Retail Expert
& Consumer
Champion*

**W**ith technological advances such as automated inventory management and agentic customer service bots, we are on the cusp of a new era of commerce that will take unification and personalisation to unprecedented levels. As the industry gains a better understanding of the ways artificial intelligence (AI) can be deployed, this will only strengthen those possibilities. To unleash the transformative power of Agentic AI, however, the fundamentals of your unified commerce strategy need to be strong. Below are four key areas that retailers must master before they can truly take advantage of the transformative potential of AI in the retail context.

**UNIFIED COMMERCE IS NOT JUST ABOUT ADOPTING NEW TECHNOLOGY - IT'S ABOUT CREATING MEANINGFUL CUSTOMER CONNECTIONS, IMPROVING OPERATIONAL EFFICIENCY, AND DRIVING SUSTAINED PROFITABILITY.**

### Seamless experiences
Consumers don't see channels anymore - they just see brands. They expect their favourite brands to provide consistent interactions wherever and whenever they choose to engage. This expectation makes real-time inventory visibility across all stores, warehouses, and online channels key to success. To cater to modern customers, offering uniform pricing and promotions is a must. This prevents frustration from channel-based inconsistencies. Additionally, flexible fulfilment options like BOPIS, ship-from-store, and same-day delivery are essential to provide the convenience and choice consumers want.

### Actionable insights
Retailers generate massive amounts of data, but disconnected systems often prevent them from leveraging it effectively. Unified commerce breaks down the data silos to provide a single source of truth for inventory, sales, and customer data, ensuring accurate, real-time information across the entire retail estate. Agentic AI insights now offer the chance for brands to personalise promotions, optimise stock levels, and improve

demand forecasting. They also deliver cross-channel behavioural analysis at the same time, in the process, helping agents (machine and human) to better understand how customers engage across both digital and physical spaces.

### Optimised operations
A unified commerce strategy delivers order and inventory management gains, while also minimising stockouts and overstock situations. For customers, unified commerce ensures purchases can be completed with minimal friction, thanks to streamlined mobile checkout and payment capabilities and real-time visibility of stock across a brand's entire retail estate. Meanwhile, automated workflows reduce manual tasks, freeing up store associates to focus on delivering the concierge-style, personalised service that customers will remember and return for.

### Building customer loyalty
It's not just hyperbole when it comes to unified commerce. Retailers that embrace it see a measurable impact on sales and retention, including higher conversion rates, fewer abandoned carts, more available inventory and improved customer satisfaction. Ultimately, unified commerce makes shopper experiences faster and transactions more convenient. Beyond bottom-line euros and pounds

spent, unified commerce has the potential to deliver greater brand loyalty and drive more personalised engagement through a truly seamless service across all customer touchpoints. It is fast becoming the gold standard in retail, reshaping how brands create connected experiences from click to curb and supply chain to shopfloor.

### Real-time inventory visibility
A key enabler of this new benchmark for retail is real-time inventory visibility, something which we should not underestimate. It is critical in helping retailers maximise sales and giving customers the ability to modify their orders post-purchase to minimise returns. After all, shopping isn't just a transaction anymore - it is an opportunity for retailers to build long-lasting relationships with customers at every stage of the buying (and post-purchase) journey. As Agentic AI continues to evolve, and retailers increasingly look to deliver hyper-personalised recommendations and experiences across the entire (physical and digital) retail estate, the importance of unified commerce is only set to increase. Digitalisation, and more recently, social commerce, have changed the retail industry. Now, underpinned by unified commerce and fuelled with Agentic AI advances, the renaissance of retail is well underway. Are you ready to seize the opportunity?



Download the Guide to Unified Commerce.

# BlueStar quadruples productivity with smart robots

How can your warehouse keep pace with business growth? BlueStar found the answer by integrating Exotec's Skypod system with Manhattan's Warehouse Management System (WMS). The result: a fourfold increase in productivity and greater operational control. As Bluestar put it during a company visit hosted by Exotec and Manhattan: "We are back in control of planning, instead of the other way around."

**"IT SOON BECAME CLEAR THAT WE NEEDED A MORE FUNDAMENTAL CHANGE TO BOOST PRODUCTIVITY."**
*Maurice van Rijn, Vice President of Business Development at BlueStar*

In 2021, BlueStar experienced a rapid growth spurt. Within just six weeks, sales of scanners, printers, and other warehouse and retail equipment across Europe doubled. Nine months later, sales had tripled triggering an acute space shortage at the European distribution centre in Eindhoven. "We quickly expanded by annexing the adjacent hall. But it soon became clear that we needed a more fundamental change to boost productivity," recalls Maurice van Rijn, Vice

President of Business Development at BlueStar. The distribution centre, which had opened two years earlier, still relied on traditional shelving operations. Twenty to twenty-five operators worked daily, guided by Manhattan's WMS along the most efficient pick routes, but walking distances remained long, particularly for order picking. Anticipating further growth, BlueStar decided in 2022 to automate its picking process and, in 2023, selected Exotec's Skypod system.

**"PREVIOUSLY, A ROUND TRIP PAST ALL PICK LOCATIONS COULD TAKE 15 TO 30 MINUTES. JUST IMAGINE HOW MUCH TIME WE'RE SAVING NOW."**
*Stijn Kroon, Warehouse Manager at BlueStar*

### Four times higher productivity
The Skypod system differentiates itself from other compact storage solutions through agile robots capable of climbing racks to retrieve storage bins. These bins are delivered to a pick station, where operators select the required products and place them in shipping boxes. With a single button press, the bin is returned to storage while the next one arrives, creating a seamless, continuous workflow. "We now process an average of 2,000 containers per day. Because operators remain at their stations, they can pick continuously without interruption. As a result, productivity is now four times higher," says Stijn Kroon, Warehouse Manager at BlueStar. The Skypod system occupies just 1,000 square metres, yet stores 23,000 bins containing 4,700 different SKUs. Twenty robots manage inbound and outbound flows, delivering around 2,000 presentations daily to three pick stations, each capable of processing 130 bins per hour. "Implementation planning was critical," Kroon notes. "Everything had to be precise, from positioning the system to ensuring the right number of storage and pick locations. Once the floor was cleared, coated, and fenced off, rack installation took less than four weeks. Setting up the pick stations and system testing followed, but the most time-consuming step was loading the 23,000 bins. Three months later, the system was live."

### Error-free by design
At BlueStar, errors are virtually eliminated thanks to the system's design. When a bin arrives at a pick station, the operator scans the product barcode and manually enters the picked quantity, which is automatically verified against the entry in Manhattan's WMS. To maximise throughput, packing is handled separately. Completed orders move via conveyor to a dedicated packing station, where contents are rechecked and packed for efficiency. Kroon explains: "A high-speed camera scans items and serial numbers, automatically recording them in the WMS. Once validated, boxes proceed to the sealing machine and onward to dispatch." Next, BlueStar plans to further increase picking and packing capacity. "We aim to connect the three packing stations via a conveyor to balance workload and free up space for more value-added activities," Kroon adds.

### Back in control of planning
BlueStar has now deployed the Skypod system in both Eindhoven and its North American distribution centre in Hebron, Kentucky. The installations are nearly identical, with API-based integration to Manhattan's WMS. "The only difference is that we use grey bins in Europe and blue bins in North America," Kroon jokes. "The main benefits have been improved safety and ergonomics. There's significantly less internal transport traffic on the floor and operators no longer need to repeatedly get off their trucks to pick orders. And we haven't even mentioned the elimination of travel distances. Previously, a round trip past all pick locations could take 15 to 30 minutes and we did about 150 trips per day. Just imagine how much time we're saving now." Perhaps most importantly, the system has given BlueStar new control over its operations. "Before, we were always playing catch-up, working hard just to get all orders out on time. Now we know exactly how many orders we can process per hour and how many labour hours we'll need. We're back in control of planning, instead of being controlled by it."

**Four key areas where Agentic AI is poised to deliver value**

- *The user experience:* AI transforms the user interface from rigid systems to intuitive, conversational tools. Whether it's a warehouse manager or a planner, users can now engage with software more naturally using conversational language.

- *Time to value:* traditionally, implementing enterprise solutions has involved translating business requirements into technical configurations, a process that can be slow and error-prone. With Agentic AI, this can be automated, greatly reducing the time-to-value coefficient.

- *Productivity:* AI automates repetitive, time-consuming tasks. From analysing reports, to identifying shipment issues, Agentic AI frees-up employees to focus on higher-value activities, increasing overall productivity.

- *Data insights and analytics:* as large language models become more sophisticated, they will offer richer insights. Users can dynamically generate detailed reports, summaries, and visualisations simply by asking, reducing the need for time-consuming, customised dashboards for multiple scenarios.

# How AI is shaping the future of supply chain commerce

In today's fast-paced world, staying ahead of the curve requires more than just operational efficiency, it demands we boldly embrace innovation too. With AI embedded across supply chain functions, from forecasting to fulfilment, Sanjeev Siotia, CTO, Manhattan Associates explores how Agentic AI is shaping the future of supply chain commerce.

Sanjeev Siotia,
*CTO at Manhattan*

**M**ost people by now are familiar with Generative AI (Gen AI) tools like ChatGPT that respond to prompts with natural-language text, but each prompt is treated as a standalone interaction, even if it looks like an ongoing conversation. Rather than simply generating responses, Agentic AI operates a 'think, see, do' approach. The think component is powered by large language models, like those used in Gen AI, while the see aspect refers to the system's ability to observe and analyse its environment. But it's the do element where the true power lies, delivering agents that can take actions, execute tasks, and even make decisions based on contextual knowledge. Simply put, Agentic AI isn't just about responding to queries, it's about enabling autonomous, task-oriented behaviour that mirrors and complements how humans work.

### AI is not a replacement
While AI will continue to play a critical role, it isn't replacing traditional supply chain mathematics or people. Rather, it complements both. Established algorithms for inventory management, forecasting, and optimisation are still relevant. The value of Agentic AI is its ability to orchestrate tools, choosing the right one for the right job at the right time. It also redefines how users interact with software. Instead of clicking through complicated interfaces, users can simply ask, 'Where's my shipment?' and receive a clear, actionable answer. Natural language interfaces reduce the need for specialised training, making systems more accessible to a broader workforce.

### An agentic future
Not all systems are created equal when it comes to AI integration. For almost a decade now, Manhattan has invested in building a robust, API-first architecture that allows and enables agents not just to 'see' the data but to 'take actions' based on it. Acting on data isn't just about insight though. It's about execution. Whether that's adjusting shipping plans, notifying vendors, or triggering alerts, agents need safe, validated access to core systems. This is where Manhattan's Active platform gives us the edge. It's designed to let agents operate within guardrails, ensuring data integrity and security while unlocking efficiencies at scale.

To make it easier for teams to get started, we have introduced Manhattan Agent Foundry™, a toolkit for building, testing, and deploying agents. Users can start from templates, modify existing agents, or even use AI to build new ones - yes, that's right, agents that can build agents! The system's structure prevents errors, so users can experiment safely and learn in real-time

### The inflection point
AI isn't just a passing trend, it's a clear technological and societal inflection point, much like the Internet, smartphones, or cloud computing before it. Whether we like it or not, AI is becoming an inextricable part of our professional and personal lives, so the best thing we can do is to start now, embrace it, experiment with it, learn and build. AI is here to stay and it's not just enhancing supply chain commerce, it's redefining it.

STG improves quality and customer satisfaction

Building Materials Europe (BME) is a fast-growing distributor of building materials. BME operates across seven countries and generates annual revenues of around €5 billion. In 2022, BME consolidated the operations of three Belgian wholesalers into a single entity - Sanitair Technische Groothandel (STG). To support the newly integrated and significantly expanded warehouse in Herentals, STG turned to Manhattan SCALE to deliver the flexibility and efficiency needed for its next phase of growth.

**S**TG stands for Sanitary Technical Wholesaler. From its central warehouse in Herentals, this wholesaler supplies everything related to sanitary installations, heating, cooling, and renewable energy. Installers across Belgium can either pick up materials at one of 54 ProShops or order them online for next-day delivery. Consumers can get inspired in one of 23 showrooms, design their ideal bathroom online, and have the materials delivered to their home. STG's product portfolio ranges from tiny fittings and seals to large tanks and bathtubs, each requiring unique handling and storage methods. Some smaller items are managed through thirteen Kardex vertical buffer modules, forming a compact goods-to-person system with 20,000 storage locations. In the warehouse, three mezzanines levels provide additional shelving and flow racks, adding another 28,000 storage locations, while larger products are stored on pallet racking.

**Total operational control**
The complexity is further heightened by STG's order mix, with large bulk shipments for construction projects, alongside single-item orders for independent installers. Managing both efficiently demands a highly flexible warehouse management system, a challenge Manhattan SCALE was built to meet. "After merging three wholesalers under the STG flag our IT landscape included multiple WMS systems, and we needed to standardise on one. Manhattan SCALE clearly stood head and shoulders above the rest. It allows us to define processes our way, planning large orders far in advance and processing them efficiently, while staying agile for urgent requests. Operators are guided step-by-step ensuring smooth task completion and total operational control," says Paul Steinke, Supply Chain Excellence Manager at STG.

**Smoothing out peaks**
Operating 24/7, STG's Herentals warehouse experiences fluctuating workloads, with peaks late in the day as installers place orders for next-day deliver. Manhattan SCALE helps smooth these peaks by providing real-time visibility and enabling flexible workforce allocation. "Manhattan SCALE lets us monitor every process in real-time. We can quickly redeploy operators to zones that need capacity, sometimes receiving, other time order picking. That level of flexibility is essential in our business," Steinke explains. The WMS has also supported a major transformation, consolidating several local warehouses into one centralised facility and standardising processes. "Over the years, we have unified operations and optimised workflows in Herentals. Manhattan SCALE has now given us an extremely stable, self-steering warehouse management system. Confidence in our logistics, both internally and externally, has grown, fueling continued growth," says Frank van der Heijden, Director Warehouse & Transport Operations at STG.

**Creating breathing room**
Efficiency gains freed up physical and operational capacity. Warehouse utilisation has dropped from over 90% to under 70%, while inventory turnover has risen from 2.7 to 4.5. STG can now handle much more volume in the same space. "For efficient logistics, a warehouse occupancy rate of 85% is the maximum. At 90%, operations regularly stalled. Now, with Manhattan SCALE, we have implemented smarter slotting strategies, created space for a shop

aisle, and more importantly, built room to grow," says Steinke. Within two years, STG achieved dramatic quality improvements. Inventory accuracy rose from 70% to 98%. OTIF (On Time, In Full) scores rose from 50% to 98%. First-time-right rate reached 99.99%, cutting missed picks and costly returns. Steinke: "Manhattan SCALE is self-correcting. If a pick cannot be completed due to a stockout, the system automatically initiates a resolution. Previously, missed items led to rework, or worse, entire deliveries being returned and potentially losing customers. Today, our logistics performance drives customer trust and satisfaction."

**Scaling ambition**
STG is already exploring new automation projects and sees Manhattan as a long-term partner in its growth strategy. Steinke: "To achieve our ambitions, we rely on Manhattan's expertise and technology. Their Manhattan Active platform is a masterpiece, bringing warehouse, transportation, yard, and labour management together in one single cloud-native solution. With Manhattan as our partner, we can stay focused on our core business and continued growth."



Download the case study.

# Supply Chain Commerce

# From inventory stress to customer success

With Manhattan Active® Omnichannel, order management, inventory, fulfillment, and customer communications are all connected on a single, cloud-native platform.

That means faster deliveries, increased margins, and exceptional experiences that build loyalty. Perhaps that's why global leaders in online retail are building their success on smart, scalable technology.

Discover how at **manh.com**



# The CEO corner

Eric Clark, President and Chief Executive Officer, joins the 10th anniversary edition of Commerce Trends to talk about trends, tariffs, tech and the enduring Manhattan customer promise.



**Supply chains were thrust into the spotlight during the pandemic and have remained part of common business vernacular since. What are Manhattan's customers telling you right now about the demands and types of challenges they are facing in 2025?**
Whether it's the pace of technological change, macroeconomic volatility, regional conflicts, or the increased peril of cyber threats, the daily risk to today's supply chains is significant. This year in particular, trade tensions and the uncertainty caused by frequent tariff changes are absolutely shaping our customers' decisions. The way I see it, the role of our technology and teams is to help customers stay agile enough to mitigate these challenges (where possible), providing them with the visibility, flexibility, and innovation needed to change direction. That's something we excel at. As supply chains have become more complex and distributed, companies have had to rewrite their playbooks. What used to be linear is now abstract, and what customers used to accept as 'just in time' is now demanded in 'real-time.' Our solutions empower customers across B2B and consumer markets to navigate this new paradigm more effectively, through technology that quickly delivers smarter forecasting and instant access to cross-functional data. Resilience is the watchword for supply chains in 2025. We're helping our customers de-risk their operations, giving them the confidence to stay ahead of competitors, react to global events and turn shifting trends into opportunities.

**No discussion is complete without touching on the topic of AI. What's Manhattan's point of view on the new technology Wild West?**
While ongoing global uncertainty remains challenging, the fundamentals of our business remain incredibly strong. As technology and innovation cycles continue to accelerate - especially due to advances in Agentic AI - our unified cloud platform solidifies our advantage over competitors, expands our addressable market, and accelerates ROI for our customers. At a time when it's not just about delivery, but the speed of that delivery, we are in a unique position of strength.

Every company says they're using AI, but what makes Manhattan different is that we're not chasing news headlines. We're embedding it where it creates real operational lift, and we're taking it to a whole new level with Agentic AI. Earlier in the year, we unveiled a suite of intelligent, autonomous digital agents inside our Manhattan Active® platform. These use natural language, real-time data, and AI reasoning to dynamically resolve disruptions, drive optimisation, and simplify decision-making across the whole supply chain. Moreover, Manhattan Agent Foundry gives customers the power to build what they need, when they need it, all within the guardrails of built-in, enterprise-grade security and interoperability. We believe AI should empower people, and that's exactly how we're building it into our platform. This isn't innovation for the sake of it: it's a seismic shift from static workflows to intelligent orchestration. It's an exciting time to be in the technology space, and our roadmap is strong!

**"AS TECHNOLOGY RESHAPES THE WORLD OF BUSINESS, WE GUARANTEE THAT INNOVATION WILL REMAIN AT THE CORE OF EVERYTHING WE DO."**
*Eric Clark, President and CEO at Manhattan*

**This is your first year at Manhattan, Eric. What are your takeaways from these last months and your priorities looking ahead to 2026?**
From the first day I walked through the doors in Atlanta, I found a company with an incredible, international customer portfolio, best-in-class products, a dedicated team, and untapped growth potential. Over the last 35 years, Manhattan has established a reputation for innovation. As technology (and AI in particular) reshapes the world of business, we guarantee that innovation will remain at the core of everything we do. We will continue to deliver technology unification, simplicity and speed to market faster than any of our competitors. We want our customers to know that when they decide to partner with Manhattan, they will not only be getting the industry's leading technology but also access to the very best people and teams in the business.

# What customers say



**"PICKING PARTNERS LIKE MANHATTAN ASSOCIATES IS ONE OF THE BIGGEST DECISIONS YOU'RE GOING TO MAKE."**
*Bill Gratke, SVP Supply Chain Lamps Plus, specialty lighting retailer in the United States*



**"WITH MANHATTAN SCALE, WE ARE ABLE TO ADAPT OUR WAREHOUSE OPERATIONS TO NEW CHALLENGES."**
*Pino Omodei Salè, Director of Application Developments at Emmelibri, Italian book distributor*





**"IN OUR MORE THAN TWO DECADES OF BUSINESS TOGETHER, MANHATTAN AND SKECHERS HAVE COMPLEMENTED EACH OTHER WELL AS WE'VE STREAMLINED OUR PARTNERSHIP. "**
*Chris Coye, Senior Vice President of Information Technology at Skechers, multinational footwear and apparel company*





**"OUR COLLABORATION WITH MANHATTAN HAS TRANSFORMED KEHE'S APPROACH TO LOGISTICS."**
*Kevin Volk, Vice President of Supply Chain at KeHE Distributors in North America*





**"MANHATTAN ACTIVE OMNI GIVES US THE POWER TO WADAPT AND RESPOND TO FUTURE CHALLENGES."**
*Mert Karaibrahimoglu, CEO at Penti, women's fashion retailer in Turkey*



# Spotlight on Martin Lockwood



Martin is Senior Director, EMEA Alliances. He started his career at Manhattan in 2000 as a Customer Services Manager, EMEA and was Senior Director for Sales and Operations in Manhattan's Growth and Emerging Markets (GEM) until 2022. He is currently responsible for Alliances in Europe, with responsibility for looking after the Manhattan partner ecosystem.

*Father to Ella (20), Jake (18), Huey (15) and husband to Liz (of 23 years), Martin and the family Lockwood live just outside Marlborough in Wiltshire.*

**What did you dream of becoming when you were growing up?**
When I was growing up, I thought it would be fun to be a politician. I thought I'd do a better job than the people I grew up watching in the House of Commons, but I always saw both sides of an argument so I'm not sure I would have been that good at the cut and thrust of Westminster politics after all.

**What is your favourite hobby?**
My great friend Steve and I are part of a two-piece band called Steve Martin (not named after the 1980s American comedy actor). I play the violin and sing lead vocals, while Steve plays the guitar. We play a variety of genres of music from rock to indy and most things in between!

**As a keen musician and lover of music in general, if you could choose one concert to attend - past of present - which band would that be and why?**
This is an easy one for me. I would have loved to have been at the original Live Aid in 1985. It was the most incredible collection of musicians doing something that had never been done before, and I don't think it will ever be replicated. The footage of Queen and Freddie Mercury delivering that performance was electrifying and the collaborations between artists such as McCartney and Bowie, Sting and Phil Collins was unlike anything we've seen since.

**How have you seen Manhattan evolve over the years, and what has, in your view, been the absolute highlight or game-changing moment?**
Back in the early 2000s it had the feel of a start-up, with 10-15 colleagues in the UK we wore many hats and did what we needed to do. It was all hands to the pump as we established the Manhattan brand in Europe.

The main game changer over the last 25 years has without doubt been the move to the cloud. If you had talked to Martin in 2000 and said this was where we'd be 25 years later, with the scalability and functionality across so many different areas of the supply chain commerce ecosystem I wouldn't have believed you - I don't think many would.

**If you could invite anyone to a dinner party, who would it be & why?**
Although I don't play anymore, I'm still a big cricket fan and during the 80s when I was growing up Ian Botham was a bit of a hero of mine. The late 80s, buccaneering brand of cricket that he played was fearless, brave and great to watch - I imagine he'd have a bunch of hilarious stories he could tell round the dinner table. Also, 'Beefy' is a great wine connoisseur and owns several wineries in Australia so he'd be good for a few bottles of claret too I imagine!

# 35 years of innovation, and counting

**1990** Manhattan founded in Manhattan Beach, CA

**1991** Jockey becomes **our first customer** and remains one today

**1998** Manhattan becomes a publicly traded company and opens European headquarters

**2000** Company reaches $100 million in revenue

**2015** First publicly traded software company to be **profitable for 25 years**

**2017** Launch of the cloud-native Manhattan Active ® Platform and Manhattan Active Omni

**2020** Manhattan Active Warehouse Management released

**2021** Manhattan Active Transportation Management launched

**2024** Manhattan Active Supply Chain Planning released, unifying all applications on one platform

**2025** Company reaches $1 billion in revenue

**2025** The age of agentic AI begins at Manhattan

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