

Shopify to snap up Deliverr in \$2.1bn deal

E-commerce multinational Shopify is set to acquire US fulfillment technology provider Deliverr in a deal valued at approximately \$2.1bn.



Source: Getty

According to Shopify, the takeover will enable it to provide simplicity and scale to millions of merchants, and to remove the complexity of fragmented supply chain management.

With the addition of Deliverr's network management software; team of software engineers, operations experts and customer agents with deep domain expertise; and asset-lite network of warehouse, carrier, and last mile partners, Shopify gains visibility and control of movements along the supply chain, empowering merchants to offer and achieve fast delivery promises across channels.

By integrating the end-to-end software and logistics platform into its ecosystem, Shopify will streamline logistics to provide simplicity and scale advantages for merchants, the e-commerce giant said.

“Our goal is to not only level the playing field for independent businesses, but tilt it in their favor – turning their size and agility into a superpower,” said Tobi Lütke, Shopify's CEO. “Together with Deliverr, Shopify Fulfillment Network will give millions of growing businesses access to a simple, powerful logistics platform that will allow them to make their customers happy over and over again.”

End-to-end inventory orchestration

Deliverr ships over a million orders per month across the US. It offers scalable logistics infrastructure for end-to-end inventory orchestration, including:

- inventory receiving and inspection and cross-docking capabilities;
- inventory placement algorithms that route inventory based on predicted merchant demand;
- preparation, storage, and freight services;
- real-time fulfillment optimisation across online, brick-and-mortar, B2B and wholesale channels; and an
- asset-lite network of warehouse, carrier and last-mile partners offering elastic warehouse capacity to thousands of merchants.

Deliverr's asset-light infrastructure complements and extends the reach of Shopify's network of large-capacity, self-operated hubs, and enhances access to a two-day delivery promise in the US across all channels. With Deliverr, Shopify strengthens its ability to offer merchants simplified inventory management, demand-driven inventory balancing, and fast delivery from coast to coast, with minimal inventory required, Shopify said.



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The addition of Deliverr will more than double the size of Shopify's fulfillment team. Led by Harish Abbott, Deliverr's CEO, Deliverr's revenues have grown rapidly due to its ability to provide two-day delivery service across multiple channels including online stores, search and social channels and large e-commerce marketplaces like Amazon, eBay, Etsy, and Walmart.

Together with Shopify's 6 River Systems, which powers embedded technologies for warehouses, Shopify is building a robust network for the future of global logistics. Shopify Fulfillment Network, 6 River Systems, and Deliverr will collectively form a broader logistics unit within Shopify under the group's newly appointed CEO, Aaron Brown, who has led Shopify Fulfillment Network since 2020.

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