Dydacomp®

Guide To Increasing Online Sales - The Back (Office Story)

4 Ways Your Inventory & Order Management Solution Plays A Pivotal Role

The one sustainable competitive advantage you have to drive more online sales is to create a distinctive customer experience. Customer experience is driven just as much by the back end order fulfillment side of the business as it is by the front end website. Learn 4 ways an effective inventory & order management solution plays a pivotal role in creating a better customer experience…and more sales!

M.O.M.®
multichannel
order manager

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Guide To Increasing Online Sales – The Back (Office) Story

The one sustainable competitive advantage you have to drive more online sales is to create a distinctive customer experience. In the eCommerce world, buyers have endless possibilities of where to shop, making it difficult to compete online. As a merchant, you have to do your best to differentiate yourself from the competition and in order to remain profitable, discounts and sales can't be the only answer. Unless you are offering a completely unique product offering, you need to find another way to stand out from the crowd to create attraction to your website and ultimately loyalty to your brand.

At the end of the day, you need your customers more than they need you. So how do you attain new customers and retain existing ones? By delivering the best possible customer experience, and the customer experience doesn't end at checkout! An effective order management solution (OMS) plays a pivotal role in ensuring that orders ship accurately and efficiently to keep customers happy…and coming back!

The Importance of Order Management

An order management solution is the 'secret sauce' in creating an optimal customer experience. Often the back end order fulfillment processes are overlooked. Merchants understandably focus initially on front end customer improvements like creating a snazzy looking website or making improvements to the user interface to make it easier to navigate.   And while all of this is important, there is more to it than just looking good on the outside. You have to make sure the 'inside' or order fulfillment process runs like a well-oiled machine to make sure orders are processed and shipped accurately and in the most efficient manner. After all, the customer ultimately cares more about how fast they receive what they ordered. It takes more to be successful in the eCommerce world than just creating a pretty façade, you have to be able to deliver!

Order management encompasses everything that happens behind the scenes once the customer submits their order. It ensures that the order is processed efficiently, shipped promptly and arrives quickly, with as little hassle as possible. The ultimate goal of order management is to make the merchant's life easier and the customers happier!

Processing orders can be overwhelming for all business, big and small, and even more so as your business grows. That's why one of the most important tools an online business can have is an order management solution. And the best order management solution is one that can handle all the processes necessary to process the order, in <u>one</u> solution. A complete order management solution is more than convenient. When used properly, it can improve your business processes and help increase your online sales. Here are four ways order management plays a pivotal role in getting the most out of your eCommerce investment by creating a better customer experience…and more sales!

#1 Multiple Channels – One Back Office Solution

One of the keys to success in business is to be where your customers are. The eCommerce world offers merchants various ways to diversify themselves and expand their online presence through the many online sales channels that are available – Amazon, eBay, or perhaps you are adding more websites. Adding sales channels can grow your business, making it easier for your customers to find you and your products, but it also presents new challenges. When not managed properly, adding sales channels can create bottlenecks in your processes.

To be successful in a multi channel environment you need to be able to monitor sales and fulfill orders from all channels in an efficient manner to ensure customers receive their orders in a timely manner. It's time consuming to have to log in to each channel separately, download the orders and process them. With a multi channel order management solution, you can manage all of your sales channels in one, single solution. Automatically import orders from each sales channel into one solution, so you can process orders in batches to get them out faster!

#2 Ensure Accurate Inventory Across Channels With Real-Time Updates

The other challenge presented by a multi channel sales environment is inventory management. You need a clear and straightforward way to monitor your inventory levels across all sales channels. Having a centralized system to manage the inventory of a product ensures that you always publish accurate available to sell levels to your sales channels so you can avoid overselling an item. When an item gets sold on one sales channel, the available inventory is updated automatically across all of your sales channels, eliminating the need to make manual updates which often lead to errors. And the last thing you want to do is disappoint a customer by posting an item for sale that you don't have the inventory to fulfill.

Managing complex inventory items like kits (aka bundled products) is also easier with an order management solution. Whether you sell an item on its own and part of a kit or multiple kits, you can always be sure your inventory levels are accurate. And when an order for a kit product is received, a detailed pick slip will be created identifying each of the individual items that make up the kit to ensure that your warehouse packs the correct items.

Using a multi channel order management solution, you can ensure that you never run into an out-of-stock situation, and when orders are placed, they ship out as efficiently as possible. With inventory and orders under control, you can position yourself for success in a multi channel eCommerce environment by providing a great customer experience.

#3 Process & Ship Orders More Efficiently

Shipping is another area that can contribute to the bottlenecks in your processes. It is also an area that can be costly and lead to negative feedback when orders aren't shipped accurately and efficiently.   The last thing you need are angry customers calling customer service or posting negative reviews online because they had to wait for their orders or worse because they were shipped the wrong items.

There are two ways you can improve the shipping process. The first area of improvement is when you actually pick and pack the shipment. To pick and pack the orders in the most efficient manner possible, utilize barcode scanning. Using a barcode scanner not only saves time, but ensures accuracy eliminating the need for manual intervention.

 The other area of improvement is in the verification and printing of the shipping labels to complete the shipping process. By integrating the shipping processes into your order management solution, you alleviate the bottlenecks and avoid the risks involved with manual data entry. With fully integrated shipping functionality, you can verify addresses, print finished shipping labels, access tracking information, control shipping rates, ship orders in batches and more. This means you can avoid shipping delays and carrier imposed penalty fees. The result is not only a win for you, but also for your customer who receives his or her package faster!

#4 Integrated Supplier & PO Management

To effectively manage inventory levels and avoid out-of-stock situations you need to integrate supplier management. Managing your suppliers in a separate system, or in some cases no system at all, can lead to a lot of disconnects between your various sales channels. To ensure that all channels are in sync, you need to integrate your supplier management functionality.

Managing your suppliers in your inventory and order management solution makes your job easier because you are alerted when inventory items are nearing low levels and can issue a purchase order with just a few clicks. When a purchase order is received, any items that may have been on backorder will automatically be put into the processing queue, and all of your sales channels will be automatically updated to reflect the new inventory level. This eliminates the need to manually log in and update inventory on each sales channel, which is time consuming and sometimes error prone. And the customer benefits from inventory levels always being accurate and in sync across all sales channels.

Integrating supplier management is also important if you drop ship some or all of your products. You want to ensure fast and efficient communication between you and your drop shipper so you can get shipments out to customers in a timely manner. Being able to communicate with your supplier directly from your inventory and order management solution allows for this and also makes it easier for you to track the fulfillment process so you don't lose sight of the order after you send it off to your supplier. After all, customer satisfaction is linked to the time to shipment and expected delivery time. You must be able to break through the bottlenecks to streamline your processes, increase efficiencies, and boost productivity. The result will be satisfied and repeat customers!

Seamless Integration to Your eCommerce Platform – The Essential Ingredient

Integration to your eCommerce platform plays an important role in helping to get the most out of your investment. In fact, it's the essential ingredient to ensuring you can maximize the benefit from implementing an order management solution. Any good order management solution should be able to help you streamline your processes in the ways discussed above, from centralizing your orders and inventory to integrating shipping, suppliers, etc.

The differentiator between good and great is in the communication between your eCommerce store and the order management solution. The whole idea behind an order management solution is to automate your processes and eliminate the need for manual intervention, which can be time consuming and lead to error. If the communication, specifically the passing of the order information from your website to your order management solution and then the inventory and order status updates back to your website after the order has been processed, isn't solid, you risk error. The seamless integration between the two systems closes the loop to ensure they are both in sync at all times.

Conclusion – The Customer Experience Doesn't End At Checkout

In the online shopping world, the customer experience doesn't end at checkout. Building an attractive, user-friendly website ensures the first half of the customer experience is good. The other half of the experience occurs once the 'Submit' button is clicked and the order is placed. To ensure your customers receive their orders correctly and in the most efficient manner possible, you need an order management solution.

Creating the best possible customer experience is the number one sustainable competitive advantage you can create. And that's possible by closing the loop on the customer experience by making sure the customer receives what they want, when they want it, and pay what was expected. At the end of the day, the customer's top concern is how fast they receive their order, and of course that the order is correct.

An order management solution is the 'secret sauce' to ensuring that orders are shipped accurately and efficiently to achieve this. It also ensures that your business on the back-end is running efficiently so that you have the proper calculations for inventory and that your fulfillment operation is keeping pace to deliver your products to your customers on-time.

About Dydacomp

Dydacomp provides essential order, inventory and customer management solutions to growing multichannel retailers that integrate easily with eCommerce platforms to drive efficiency, productivity, insight and growth. Dydacomp's proven on premise & cloud-based solutions enable small to medium sized retail & fulfillment businesses to grow faster by expanding their eCommerce presence & automating back office operations to manage critical aspects of their business: multichannel order management; inventory visibility & control across multiple channels; drop ship management; rapid, reliable order fulfillment; customer management; integration with Magento, eBay & more.

Freestyle Commerce is Dydacomp's new online, cloud-based solution created specifically for those merchants who use Magento for their eCommerce platform. Freestyle provides smart dashboards for the always up-to-date business insight needed to grow sales.

Over 2,000 multichannel merchants already rely on Dydacomp's Freestyle Commerce, Multichannel Order Manager (M.O.M.) and SiteLINK solutions to automate their back office operations and drive business growth. Dydacomp's clients engage over a million shoppers daily, generating nearly 10 million in gross merchandise sales every day. For more information, visit www.dydacomp.com and follow us on Twitter @dydacomp.