



Best practices and pitfalls in designing Order Management Solution for your Omni-channel needs

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You are a big supply chain with lots of brick and mortar stores and multi-channel presence. As the number of channels increase, so do the expectations and with expectations, increase challenges. Your customers rely on your good stock and customer service. But is that enough to keep them happy when you go Omni-channel?

Perfect delivery is the key to brand building. Order fulfillment is a complex process with various stages and departments involved. The only way it can function properly is to have an efficient order management system in place.

Now Jane Doe will stay faithful to your brand only if she gets that dress delivered on time, on or before the date estimated and in perfect condition. She might just want to change the color or the size and would want that facility to be available most conveniently, at the doorstep or at the nearest shop. Omni-channel has opened new avenues to make the customers happy than they were before. And they sure are expecting it.

In case of issues there should be a return and refund policy in place which is easily accessible. Your order delivery efficiency is directly proportional to what your customers think about you. Predict demands with accurate forecasting and plan deliveries to stay at the top of the game with order management solutions.

THE ORDER MANAGEMENT SCENARIO IN OMNI CHANNEL RETAIL:

According to latest Gartner forecast, worldwide spending on business process management (BPM) software was set to grow 4.4 percent to reach \$2.7 billion in 2015. However, according to a 2016 survey by Order Dynamics, on average only 42% of retailers have integrated OMS with core enterprise applications such as POS and ERP. To reach the Omni channel maturity the right tools need to be in place. There are tools to execute all stages of order fulfillment, from planning and forecasting demands to order delivery, the need of the hour is to think ahead of your customers and deliver more than expected. Order management solutions are a vital part of reaching your full potential of Omni channel operation.

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Placing an order has become a self-service process for the consumers, they select product, quantity, select date, time and destination of delivery. All you have to do is get the item there. With accurate order processing systems, handling multiple orders from different channels can be streamlined with ease.


Order management system, applied carefully, helps you bring order to the orders.


1. Know where everything is.
2. Connect the customer with the inventory.
3. Never be out of stock or overstocked.


Hanover Direct, a multichannel retailer in Weehawken, N.J. has implemented an order management system that gives the retailer better insights into its customers' behaviors and shopping habits. This enables them to target the right marketing offers to the right customers.


BEST PRACTICES


 **ORDER LIFECYCLE**
Keep track of the orders right from inventory to order placed and delivered. Has it reached the customer, is the customer satisfied? Has the customer requested return? Has it been done? Which stage it is in? Know where the product is each minute.

 **SINGLE VIEW OF INVENTORY**
Know your inventory, keep track of it with a single view. Is your inventory is ready to fulfil customer demands for a product across all channels like online, brick and mortar and mobile.

 **SAFETY STOCK**
No overwhelming amount of over stocked products. Depending on the forecast, keep a safety stock with less chances of wasting products.

 **REAL TIME ALLOCATION**
Of goods to different channels, get real time information of how your inventory looks like after every purchase. Allocate accordingly.

 **INVOICE SUPPORT:**
Get and send alerts to customers about their shipments. Any changes, upgrades, delays will be notified automatically. So that you are prepared to redress the issue and your customer is informed at all times with the documentation in place (i.e. bill, record of delay etc.).

 **TRACK SHIPPING:**
Keep a track of your product at all times. Use GPS service providers. Track delay and misroute. Inform customers accordingly. This will help generate invoices.

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SECURE PAYMENTS

With the increasing number of frauds happening with credit and debit cards, maintaining a secure payment system for your customers across all channels is a priority. With order management system you can detect frauds if the billing and shipping addresses differ, along with name. Also, if the same person is buying multiple products from different channels using various cards, you'll know.



FEEDBACK:

Always ask for feedback from your customers. Best way to improve and also good reviews will bring satisfaction and establish brand reputation.

PITFALLS



PLANNING:

Having a plan in place with realistic goals, is the stepping stone for good order management in Omni-channel systems. Most implementations fail to achieve set goals because of lack of a plan. Effective planning would lead to a satisfied customer.



EXPECTATIONS

Most order management systems do not meet all that is on your wish list. The idea is not to fulfil only what you don't have, but to have a more dynamic plan to incorporate more robust technology which will help your business leap forward. Set realistic expectations from order management systems, it's not a one size fits all, neither can it replace all your existing systems.



COST

While order management systems do ensure better ROI by improving your delivery, it is quite costly and time consuming to implement along with existing legacy modules.



DECIDING POLICIES:

It is important to align your refund policy, return policy, currency, payment methods with the order management system. Deciding and securing these policies matter a lot in successful order management system. Remember, the customer needs to find a way out or to reach you when not satisfied, only that will make your order management successful with your customers.



DISCONNECTED SYSTEMS

Most enterprises work in silos. Integration is necessary for a workable order management system. Informing and including all departments in your order management endeavours is a must. So that they can provide timely information and gain required insights from the system. The idea is to make the process 'complete'.



LACK OF TIMELY RESPONSE

Your order management system can generate invoices, have automatic responses for return and refund policies, but cannot respond to them, if you don't. No degree of order management can save a business if the customers don't get an answer for what they ask. You need to be prepared for timely redressals.

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Order management systems have become an integral part of Omni-channel businesses. But a successful order management depends on a lot more than just the solution, there should be a balance between what you promise and what you can deliver. Two most important things to have are the right policies in place for your customers to fall back on and right goals which you wish to achieve through order management solution. Order management cannot bring revolutionary changes to your Omni-channel strategy overnight. It can provide a structure and seamlessness of operation that is highly required for successful Omni channel strategy. It is more like a technological magic wand to be used carefully with precise direction.

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