Today’s consumers expect to interact with vendors and purchase products from any location and using any channel—online, offline, or phone. They also want the option of switching seamlessly between touchpoints at any time. Nevertheless, many companies still find it difficult to manage cross-channel order processes, integrate sales channels, and orchestrate orders. An order management system (OMS) can help businesses meet the growing challenges of e-commerce by successfully meshing multiple processes.

**OMS—an underrated resource**
Order management systems (OMSs) are still widely misunderstood and underrated. Typically, people think an OMS is just a tool for capturing/processing orders and forwarding them to a warehouse location. In reality, they are capable of much more. They are specifically designed to connect digital order processes from multiple channels and also serve as a middleware layer, enabling easy integration of new business processes into existing IT landscapes.

**Optimized use of resources**
An OMS brings together all information on customers, orders, and warehouse inventories in a central resource that is visible to all users. As a result, all available inventories can be shared across the various channels. If, for example, demand in a particular channel is higher than expected, it can be met with inventory from other channels, directly from a central warehouse or from a drop ship supplier. Companies have real-time access to all available inventories in their offline stores, stock held by suppliers, and inventories within the supply chain. This information can be used to instantly confirm orders and create custom delivery processes featuring automatic orchestration based on specific needs.

**Satisfied customers**
In addition, an OMS provides a 360-degree view of each individual customer, including their personal data and order history, no matter which channel was used to place the orders. Customers, meanwhile, can view all their current and past transactions at any time, regardless of whether those transactions were conducted online, by phone, or directly with a field sales representative. The information they receive is the same in every channel, be it mobile device, desktop PC, customer hotline, offline store, or one-on-one interaction with field sales staff. The result is a consistent customer experience across all channels—which significantly improves both customer loyalty and customer satisfaction.

**Seven key features of an order management system**

1. **Connected channels: the key to an integrated multi-channel strategy**
   Companies are increasingly connecting what were once separate channels to create a single, consistent shopping experience. The greatest potential lies in cross-channel integration of order management processes and technologies. Being able to view all orders across all channels and to use all information collaboratively creates new scope for savings, synergies, and increased revenue.

2. **Meet demand across all channels and from any warehouse location**
   The ability to view and manage inventory information at all warehouse locations provides a solid basis for intelligent order management. Companies that are able to create a comprehensive inventory view, with stock at multiple locations being available as a shared resource across all channels, can fulfill orders from every channel and from any warehouse location, thereby reducing storage and distribution costs.
3. One order, one customer: multiple systems and channels
To create efficient order processes, vendors require a consolidated view of each order. In many companies, however, these processes are distributed over multiple systems. Successful companies use a single order management system to orchestrate their orders and integrate them with existing processes and systems. From order acceptance and approval through to billing, payment, and the management of shipments and returns.

4. Automate, split, and route
Today’s customers expect to be able to buy products whenever, wherever, and however they want. Result: increasingly complex order and delivery processes. Successful order management strategies include order placement and routing rules that coordinate available inventory with current demand. Each order item is processed both as a separate entity and as part of an overall order. By processing items individually, it is possible to automatically optimize every order using specific rules.

5. Efficient payment processing through invoice-to-cash management
The continued rise of e-commerce presents challenges for finance departments and is changing the nature of payment and receivables management. New online payment methods necessitate new processes and partners, while traditional and online payment methods must be harmonized and combined with effective risk and credit check measures to create an optimized payment and receivables management system. The latest order management strategies are therefore embedded in efficient and transparent payment processes.

6. Better customer service through order management systems
Superior customer service is an important competitive asset that can influence purchase decisions. Order management systems enable businesses to provide customers and service staff with transparent, structured, and multi-channel access to all key information—from purchase history and contact details to current order status and payments. These value-adding services are available to customers at all times.

7. Efficient return processes—for more profitable e-commerce
The more quickly and efficiently a company can process returns, the more satisfied the customer will be with the quality of service—which is a crucial element in long-term customer loyalty. Order management systems give customers what they want: simple processes in the channel of their choice, rapid refunds or credit notes in the case of returns, and hassle-free replacement or repair of damaged or incorrect goods.

Learn more about order management systems in our comprehensive white paper at www.intershop.com/resource-detail/order-management-systems

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