5 Compelling Use Cases for Enterprise OMS Software

D2C Fulfillment

Overselling Prevention

Curbsude Pickup

OMS Use Cases

Ship From Store

BOPIS

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Summary

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Omnichannel customers care about logistics excellence, but executing a successful omnichannel retail strategy requires serious investment and crisp execution.

02

An order management system (OMS) with distributed order management (DOM) capabilities can handle most omnichannel use cases for modern retailers.

03

5 common OMS use cases include overselling prevention, ship from store, buy online pickup in store (BOPIS), curbside pickup, and direct to consumer (D2C) order fulfillment.

04

fabric OMS is built for complex use cases, allowing businesses to manage inventory and fulfill orders with speed, accuracy, and efficiency.
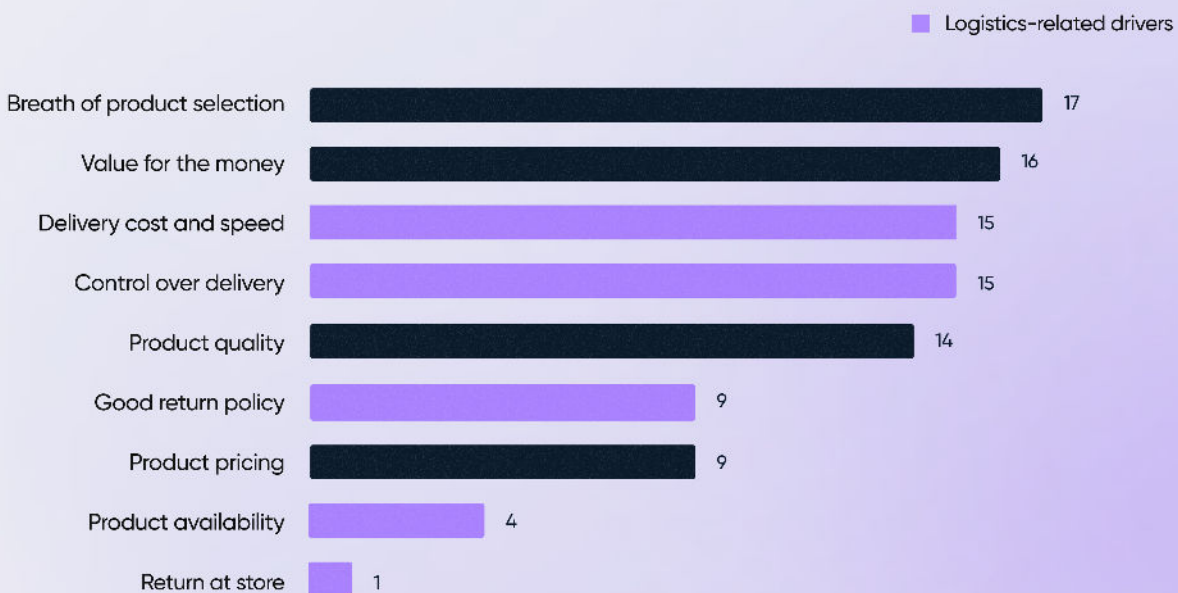
Introduction

Retail customers truly care about logistics excellence. According to a survey conducted by McKinsey, the logistics-related drivers that omnichannel customers care about most include:

- Delivery costs and speed;
- Control over delivery;
- Good return policy;
- Product availability; and
- Having the ability to return items to a store.

Omnichannel customers care about logistics excellence.

What US customers value in retail, % of survey respondents

■ Logistics-related drivers

| Driver	Value
Breath of product selection	17
Value for the money	16
Delivery cost and speed	15
Control over delivery	15
Product quality	14
Good return policy	9
Product pricing	9
Product availability	4
Return at store	1

Source:McKinsey Digital Consumer Survey

However, executing a successful omnichannel retail strategy is not without risk; it requires serious investment and crisp execution. Businesses that have complex retail operations spread out across multiple channels need robust order management software to handle the intricacies of coordinating inventory, orders, and fulfillment.

In this report, we'll discuss what you need to know about enterprise order management systems (OMS) in e-commerce. We'll also explore five common use cases that demonstrate how OMS software can transform the way businesses handle complex omnichannel operations, ultimately leading to improved customer satisfaction and repeat business.

What is an OMS?
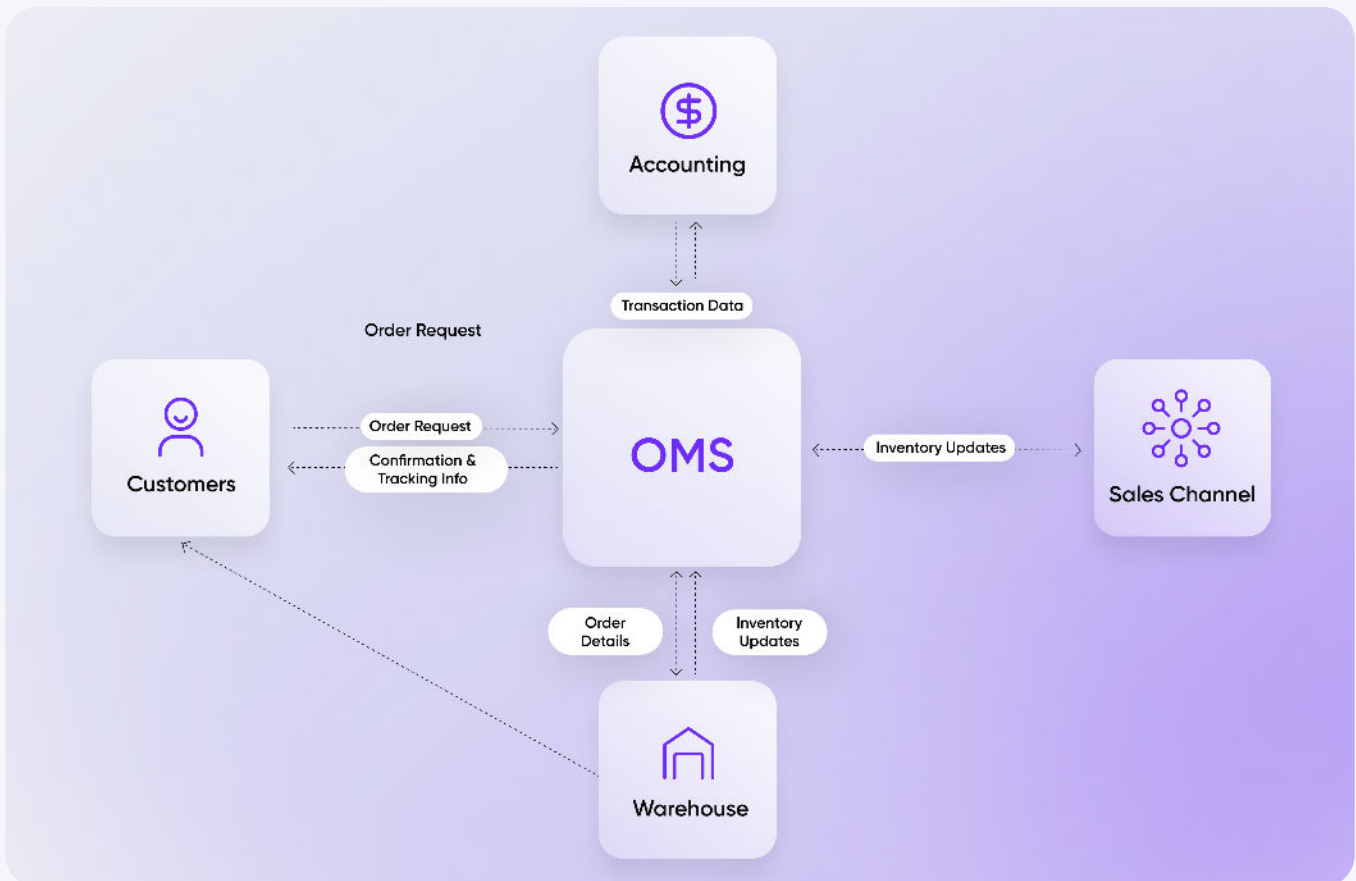
Order management system (OMS)

An order management system (OMS) is a software solution designed to oversee orders, inventory, fulfillment, and returns across various sales channels. Essentially, it acts as a centralized platform for capturing, monitoring, and managing orders. Moreover, it connects with other systems to synchronize inventory and seamlessly transmit order information within the broader e-commerce ecosystem.

What is a distributed order management (DOM) system?
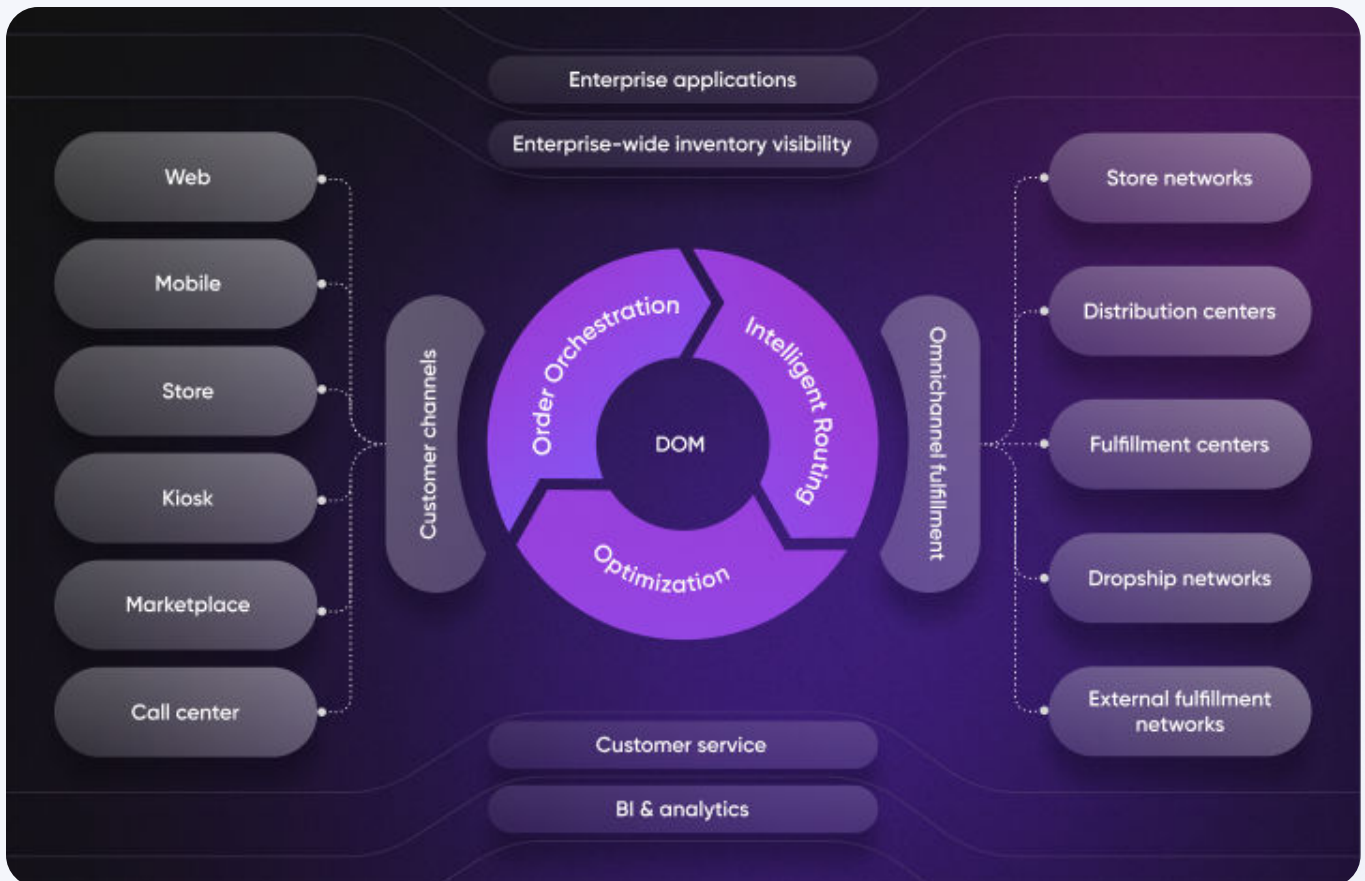
Distributed order management (DOM) system

A distributed order management (DOM) system is an OMS that uses order fulfillment logic (OFL), or logic-based rules, to efficiently manage and optimize the order fulfillment process across multiple channels.

By routing orders to optimal fulfillment locations, automating and streamlining processes, and enabling omnichannel order fulfillment, a DOM system allows retailers to offer flexible fulfillment options such as ship from store, BOPIS, and curbside pickup to customers. It's also a powerful solution for reducing lead times, lowering costs, and improving customer satisfaction.

How OMS Software Works

Order Processing Workflow

A customer places an order online. → The order is received by the distributed order management system. → The order is routed to the optimal fulfillment location. → The order is picked, packed, and shipped or prepared for pickup. → Customer receives the order. Order is fulfilled. → A return process is initiated if the customer requests a refund.

While an OMS facilitates order fulfillment, one of the most important functions is to deliver real time and accurate inventory data to retailers for optimal visibility and control. Without precise synchronization of inventory across the supply chain, retailers can frequently overstock inventory or run out of stock, which could lead to suboptimal shopping experiences for customers.

OMS software works by automating and optimizing the order processing workflow, which generally follows the steps below:

01

A customer places an order through a sales channel, creating the order in the OMS in real-time. Using an OMS, retailers can track customer order history along with shipping and payment preferences.

02

Once the order is confirmed and validated and payment is captured, the order is received by the distributed order management system which allocates inventory to fulfill the order.

03

The OMS uses order fulfillment logic to route the order to the optimal warehouse, DC, or store, typically based on attributes like stock levels, geographic proximity, and fulfillment capacity.

04

The order is picked, packed, and either shipped or prepared for customer pickup. The OMS triggers an event to send a confirmation email with tracking info or pickup instructions.

05

The customer receives the order and inventory is moved from allocated to fulfilled. If delivered, the shipping carrier communicates back to the OMS. The OMS triggers an event for the email system to send an "order delivered" email.

06

If a customer wants to return an order, the OMS software quickly processes a refund request. It then passes the information to the appropriate party to start the return process.

5 Compelling Use Cases for Enterprise OMS Software

The order fulfillment process can be complex, especially if a business is large or sells through multiple sales channels. Before choosing OMS software vendors, retailers must consider their specific requirements and how they will use the platform.

01

Overselling prevention

Overselling prevention effectively eliminates checkout and post-purchase frustrations. Companies that lack accurate inventory visibility across channels can experience scenarios where customers place orders only to have them canceled later due to item unavailability. An OMS with real-time inventory visibility across physical and digital channels can prevent overselling scenarios and canceled orders, ultimately reducing customer support tickets.

02

Ship from store (SFS)

Another common use case is for companies that want to "ship from store." By leveraging store inventory into mini distribution centers, retailers can minimize out-of-stock situations and expedite delivery times by shipping from the nearest store location. An OMS with configurable OFL can route orders and optimize shipping based on inventory priority. A comprehensive OMS provides store employees the tools to pick, pack, and ship orders from the store.

03

Buy online, pickup in-store (BOPIS)

BOPIS, has become popular for customers seeking convenience and flexibility. A modern OMS can handle the entire fulfillment process, including real-time inventory visibility, order routing, inventory management, and real-time updates, ensuring a smooth and efficient BOPIS experience for customers, while optimizing inventory utilization and driving foot traffic to physical stores.

04

Curbside pickup

Curbside pickup allows customers to order online and collect their purchases without entering the store. Retailers designate specific curbside areas where customers can drive up, notify the store of their arrival, and have their orders brought out to their vehicles. This contactless fulfillment option gained popularity during the COVID-19 pandemic and offers convenience and safety to customers.
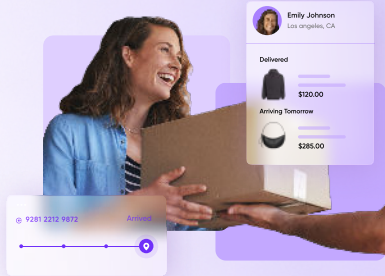
05

Direct to Consumer (D2C) order fulfillment

With the rise of D2C business models, it has become critical for brands and retailers to deliver superior fulfillment experiences directly to customers. D2C order fulfillment enables D2C brands to seamlessly manage and process customer orders from start to finish. OMS software allows D2C retailers to optimize their order fulfillment operations, gain real-time visibility into inventory, and efficiently coordinate shipping and logistics.

fabric OMS is Purpose-Built for Complex Omnichannel Use Cases

fabric OMS is a powerful, API-first, cloud-native, and modular application that's purpose-built for enterprise omnichannel retailers. It covers all major use cases, providing retailers with advanced order orchestration, streamlined inventory management, omnichannel fulfillment capabilities, and more.

If you're interested in learning more about fabric OMS or would like to schedule a demo of its latest features and functions, get in touch with us here.

Inventory and order management simplified

One system to manage orders, inventory, and fulfillment.

Try fabric OMS

fabric