The Need for Flexible Supply Chains in 2020—How can an OMS Help You?



It's been a long-time coming that your customers change the way they buy things from your stores. With the entry of eCommerce and online sales platforms, people began to expect their service providers to use these channels as part of their sales processes. It's a two-way relationship between innovation and customer behavior—where demands influence the way the industry responds to customers, customers change the way they approach any purchases from sellers in the industry.

Back in 2019, nearly <u>81% of all Australians</u> were shopping online for all sorts of things—clothes, food, electronics and even groceries. Online food delivery <u>now accounts for 12%</u> of all the sales made by cafes and restaurants and <u>31% of all Australians</u> prefer buying grocery online. More Australians are looking to make use of online food delivery services and demand a better user experience from their service provider's digital sales platforms. If you factor in the <u>7.9% growth</u> <u>in revenues</u>—you'll realise that businesses in the food industry really have to become more efficient to make the most of the opportunities these dynamics bring.

As the market volume increases and consumer behaviours continuously morph into something new with each passing moment, the importance of an effective and efficient supply-chain comes to the forefront. Service providers need to process more orders, offer omni-channel customer support, reduce the time to order fulfilment and coordinate with various components in the supply chain to without making errors. As a business in the food industry, you can introduce all of these things into your order fulfilment processes through automated order management systems.



How Does an Order Management System Work?

Broadly speaking, an order management system automates the entire order lifecycles from the placement through the fulfilment. The OMS eliminates the need for intermediaries to process order information at each stage of order processing and the final updates to the inventory once the order is fulfilled. Your order management system can also be linked to various stakeholders in the order fulfilment cycles such as your customer service teams, accounts teams, inventory managers and POS systems to fully digitise the order management process. Essentially, the OMS will take the order, send it ahead to the various people responsible for the shipping, alert the customer of the progress of the order and even update the inventory at the end. In some cases, the OMS will also produce sales reports, invoices and purchase orders for customers.

You should remember that each OMS has a different set of capabilities and you need to choose the one that suits your needs. <u>OrderTron</u>, for example, allows you to carry out the following tasks:

- Create individual customer accounts, with order histories, shipping information, special pricing etc.
- Product catalogue management that allows you to create pricing tiers, import data from other computer applications and private catalogues for individual clients.
- Order management with automatic customer notifications, picking slip generation to send to the client or to the accounts department.
- Cumulative sales, customer, and financial reports.
- Data import/export capabilities
- Push notifications to notify customers.

Why Is an OMS So Important in Today's Industry?



At the moment, the Australian food industry faces three basic problems that an OMS can solve:

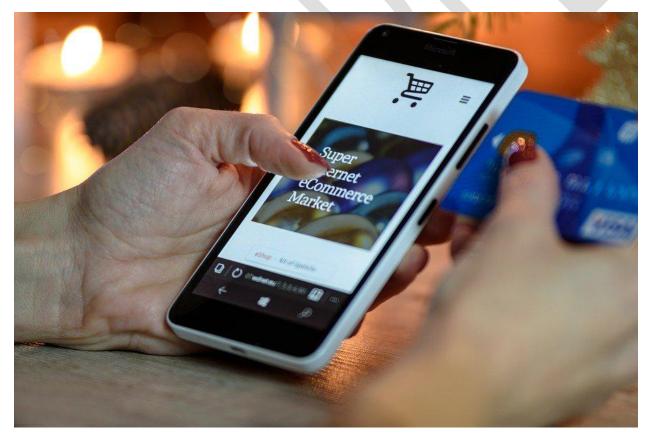
- The Coronavirus pandemic
- Increasing demand for online orders
- Faster order fulfilment

Order management systems are fundamentally designed to make supply chains much more efficient. By reducing the risk of order errors, faster data processing, seamless integration with existing software and detailed report generation, an OMS has all the necessary ingredients to improve your service provision capabilities.

OMS During the Covid-19 Pandemic

Until such a time comes when we've devised a vaccine for the coronavirus to treat it, people will remain in lockdown to contain the infection rates. At this moment, food businesses throughout Australia are switching their business models because the frequency of online orders has increased since the lockdown. Despite these drastic changes, many of these businessowners are coming to recognise that <u>business is still booming</u> despite the lockdown.

With the increase in the number of orders food service providers are receiving, there has been greater demand for products across the entire supply chain. While restaurants and food retail outlets are struggling to keep up with these orders—there's greater pressure for whole sellers to keep their client stocked.



An order management system can help keep up with higher order volumes through its efficient computing and automated order processing capabilities. OMS systems can help you in the following ways, specifically during the Covid-19 lockdown:

• Organising customer information and pre-empting recurrent orders.

- Help assess demand for specific products to plan out an effective inventory management strategy to meet demand.
- Ensure coordination between order fulfilment teams and your customers.
- Help improve customer service during the lockdown by giving customer services team access to consolidated order information.

These are just a few ways in which business owners can use the functions of an OMS to help specifically meet the obstacles in food delivery during the Covid-19 lockdown.



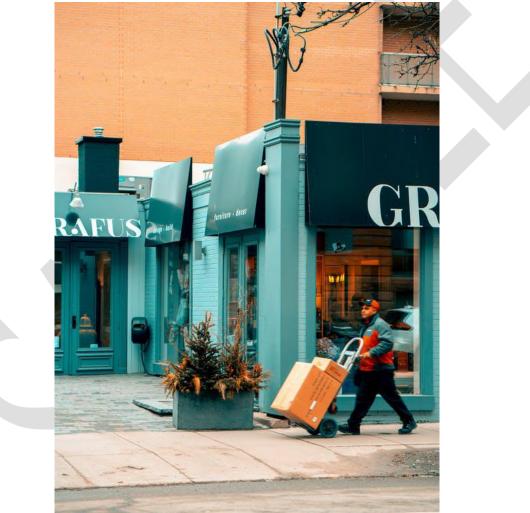
Managing The Rise in Online Orders

Even before the pandemic, the frequency of online food delivery was rising in Australia. This increase in online orders required food business owners to manage their inventories to cater to more people than would show up at their physical outlets—essentially requiring them to increase their stock orders. This significantly raises the pressure on the entire supply chain between a restaurant business and its vendors.

Both of these stakeholders will have to accommodate more orders that originate from a consumer who wants food delivered with minutes after placing the order. Order management systems bring about efficiency improvements that reduce the delays between order placement and delivery. It's easier for the restaurant owner to order supplies and the vendor to meet these orders because the OMS is a much faster information processing and transmission tool that speeds up decision-making throughout the supply chain.

With the ability to process information faster, improved coordination between the various components of your order fulfilment process—you become a better service provider. An order management system introduced new efficiencies in your supply chains to help them cope with a transforming business environment characterised by faster order fulfilment.

With the increase in online orders throughout Australia, the only way for you as a food service provider to ensure consistent quality is by becoming much more efficient. Order management systems offer potentials which can help you keep up with your competition and consumer demand.



Faster Order Fulfilment

There are two reasons why wholesale food suppliers need to improve order fulfilment speeds the end consumer demands it and the uncertainty of demand at the retail end. When the Covid-19 outbreak began, supermarkets throughout Australia were reporting shortages of grocery items—particularly vegetables—that was forcing vegetable prices higher. It was a strange incident even though Australian farmers produce massive amounts of surplus food. These unexpected spikes in demand often lead to shortages that supermarkets or even restaurants need to overcome to stay in business. They pass these pressures on to their wholesale suppliers who need to devise methods to reduce the time it takes to fulfil the order. An order management system is designed to minimise the delay between order placement and order fulfilment.

Once you raise order fulfilment speeds at the backend, you automatically enable retailers and end-point food sellers to cater to their clients. This helps everyone meet constantly changing demand levels and make the most of the opportunities that come along in these uncertain times.

Concluding Remarks

At this time, if you're working in the Australian food industry, you need to buckle down until the worst is past. While the pandemic has brought out new opportunities, we're very likely standing at the doorstep of a transformative period in the Australian food industry that must be treated with caution. It's important for all business to devise order management methods that keeps their supply chain responsive and sensitive enough to capitalise on opportunities, while also minimising potential risks/crises.

Investing in an order management can help business across the entire food value chain become better service providers and improving the efficiency of the industry as a whole. Through this technology, food retailers and wholesale distributors alike can keep up as the food industry goes through drastic changes.

Invest in an Order Management System Today!

OrderTron is a state-of-the-art order management system for wholesale food distributors. The software comes equipped with a wide range of functionalities including reporting tools, automated inventory updates and with iPhone and Android applications to help you manage your orders from anywhere. <u>Get in touch</u> with us today for more information on the capabilities of OrderTron or to adopt our online ordering systems for your business.