

## What is Order Fulfillment? An Industry Expert Explains

Order fulfillment can be defined as...

"the process of receiving an order, then shipping the order to the buyer to complete a transaction."

Seems simple enough, right? Except, every company is different. And everyone's selling process is different, resulting in countless variations of fulfillment services all based on this simple theme. On any given day, order fulfillment companies provide services ranging from simply shipping product to consumers to more sophisticated movements of product through a manufacturer's supply chain to a wide range of customers varying from multinational companies to small home-based businesses.

### Full-Service Order Fulfillment Companies

The increasing trend of outsourcing order fulfillment continues to drive the fulfillment industry to offer more complete, turn-key solutions. Full-service fulfillment companies, like TAGG Logistics, allow organizations to offer a higher level of customer service at a lower cost, while freeing up time and resources for companies to focus on other fundamentals of their business. Most full-service order fulfillment companies will offer the following basic services:

Storage / Warehousing: The fulfillment company will...

- Receive the product and provide inbound quality check.
- Provide storage for the product (typically on a monthly basis).
- Provide inventory control management services, including on-line, real-time access.
- Monitor and process inventory replenishment.

Order Processing: The fulfillment company will...

- Receive orders directly from your customer via phone, fax or Internet.
- Provide pick and pack services fulfilling the orders.
- Provide full case distribution and full pallet distribution.
- Add insertions to the order.
- Provide kitting and assembly services as needed.
- Provide contract packaging and specialty labeling services.

Returns and Exchanges: The fulfillment company will...

- Examine and process any returned item.
- Restock the item into inventory.
- Reship a replacement item when necessary.

Administration: The fulfillment company will...

- Provide call center services.
- Handle all invoicing/billing.
- Be an extension of your customer service department.



Order fulfillment is a crucial part of many businesses. Because it is the last link in the supply chain, and in many cases, the only direct contact with the end customers, the order fulfillment process can make or break your reputation as a customer-focused provider.