

Is outsourcing your fulfillment the right decision?

Outsourcing may be right for you if:

- your office looks more like a warehouse than an office
- you keep tripping over boxes on your way to the bathroom
- you can't find the way out of your office
- you are beginning to feel claustrophobic



Once you have made the decision to outsource your fulfillment needs, you have to find the right fulfillment company to meet your needs.

There are many companies to choose from so here are a few things to consider when making your decision:

1. Look for a fulfillment partner that has the experience and the level of technology required to handle your products or services
2. Visit several companies so you can meet their staff, tour their facility and see where your product will be stored and processed. Make sure you ask if the facility you are touring is the facility where your program will be processed.
3. Compare costs and service levels between several companies to make sure you receive competitive prices. Take time to prepare a "Project Scope" which includes detailed information such as order volumes, number of line items and units per order, number of SKUs, number of pallets, seasonal peaks, etc. This information is essential in determining staff requirements, order turnaround times, and warehouse space needed – all of which may affect your program costs.
4. You will be developing a close relationship with your new fulfillment partner so make sure you feel comfortable with the staff and you walk away with a sense of confidence that they can meet your needs
5. Choose a fulfillment partner with a proven track record (ask for references) and one that has the capability to accommodate your growth.

While these are certainly valid reasons to consider outsourcing your fulfillment, there are many more reasons that may help you make that decision.

- Maybe it's time you focus on your core competencies such as marketing your company and growing your business
- You've done a great job marketing your company and products and your demand is exceeding your ability to ship the orders
- You're not really set up to pick, pack and ship your products so the cost to process a shipment is much higher than it should be
- You have no idea how much product you have available to sell, when you need to order more or who you actually sent the packages to
- Your warehouse management system consists of an excel spreadsheet and your locations are "under the window", "behind the door", and "next to those other boxes"

Well, if you can relate to any (or worse, all) of these scenarios, then you should seriously consider looking for a fulfillment partner to help you streamline your order processing cycle and reduce your cost per order while providing total inventory accountability, order activity details and tools to help you better manage your supply and demand.

There are a lot of good fulfillment companies out there so you shouldn't have any problems if you do a little homework on the front end. Best of luck to you and I wish you great success with your business!