

The logo for ABCOSYSTEMS features the company name in a bold, orange, sans-serif font. The letters are slightly shadowed and appear to be floating above a stylized, three-dimensional geometric shape composed of blue and white planes, resembling a cube or a complex architectural element. The background of the entire top section is a photograph of a large industrial warehouse filled with numerous pallets of goods, including boxes and bags, arranged in rows. The lighting is bright, and the perspective is from an elevated position looking down into the warehouse.

ABCOSYSTEMS

EXPANDING TO ECOMMERCE?

HERE ARE **5** ITEMS TO CONSIDER FIRST.

With many businesses closing their physical locations, owners are transitioning to ecommerce to meet the ever-changing demand of their customers.

1. ORDER NUMBERS

This is crucial to understanding how you will set up your ecommerce distribution systems.

When considering your amount of orders there are two critical numbers you need to know:

- **ORDERS PER HOUR**
- **ORDERS PER DAY**

It's crucial you know how many orders are being shipped out per day as well as how many are being shipped out per hour. This will give you a better understanding of what systems and labor need to be put in place to support your operations overall. If you haven't started your ecommerce store yet, projecting these numbers will give you a starting point for setting up your systems successfully.

2. SKU NUMBERS

This is another number you need to understand when considering expanding to ecommerce or improving your efficiency.

It's critical you know:

- **HOW MANY SKUS YOU HAVE**
- **HOW MANY QUANTITIES OF EACH SKU YOU'RE MOVING PER DAY**

This is essential for developing a streamlined pick and pack process to help your distribution efforts run efficiently.

3. AUTOMATION

Automation is an important factor in your distribution process as it can save you lots of time and money as well as free up your employees to work in other essential parts of your business.

But before you start fully automating your systems, you need to ensure the cost is worth the investment.

We've worked with many companies who thought they were ready to automate but when we looked at their order volume, the ROI didn't justify the investment. While automation wasn't the best fit for them right away we were able to improve their distribution system in other ways increasing their efficiency.

Understanding your volumes and labor will help you determine if implementing automation is a sound investment for your business.

4. WMS OR WAREHOUSE AUTOMATION SYSTEM

This is the system you use to hold all data as far as inventory, orders, skus, and other distribution data.

In order to implement effective systems, you need to have easy access to your numbers to inform the decisions you make. From automation, to the pick and pack, down to the headcount, data is critical.

In our over 20 years of advising ecommerce businesses, we've found that many business owners use a wide variety of software solutions to manage their data ranging from off-the-shelf solutions to homemade software.

We advise using a WMS that allows you to analyze your data seamlessly all in one place. Basic systems won't support your business as you look to scale.

5. MANAGEMENT TEAM

Do you have the right team in place to manage an ecommerce company? While a craftsman is only as good as his tools, having good tools does not necessarily make a good craftsman. Senior managers must fully understand your numbers, automation, WMS, labor staff and how they will all work together.

The best managers can identify what numbers are critical for your business's success are able to create streamlined processes for improvement.

The management team should also be able to recognize where bottlenecks will occur and use automation and technology to empower your employees to take your e-commerce operation to the next level.

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WHAT TO DO NEXT?

We recommend businesses look at these five areas before moving into e commerce rather than after.

If you already have an ecommerce business but you want to expand operations, it's never too late to review these areas to ensure you're operating at maximum efficiency so you can reap maximum profitability.

We have helped both large and small companies meet the online demand of their customers for nearly 20 years. If you are a small business looking for a scalable solution to get you started or an established ecommerce retailer that needs to efficiently process thousands of orders per hour, we can help you get there.

Contact our team of experts today.

Contact us via phone at **(201) 379-2731** or send us an email at **solutions@abcosystems.net**. **We'd love to hear from you.**