What are the Benefits of an Order-Processing System?

Order processing systems make an enormous difference to the success (or otherwise) of many modern businesses. If we're to take the most basic definition of the term, that an order processing system takes data from the customer and sends it to the relevant department of the business, then they've been around for almost as long as commerce has – a craftsman in the Ancient world, for example, might have simply written all of their customer's orders down before going back to their workshop in order to create the required items.

Modern order-processing systems, to be sure, are a great deal more sophisticated than the more traditional pen-and-paper sort. They use specialised software in order to achieve their aims, and are capable of providing much more functionality. The principle behind them, however, remains the same – orders go in, and the desired products come out.

Clearly, any business which depends on ensuring quality service for its customers will require an effective order-processing system. In this article, we'll examine the virtues that such a system should have – and how such a system might benefit you and your customers.

Speed

In the fast-moving world of modern enterprise, speed of service is everything. And, thanks to the nature of modern digital technology, many waiting times can be reduced to nothing; users will be able to immediately view up-to-the-minute stock levels, and so avoid having to pore through warehouses and stock reports which might go out of date almost as quickly as they're written. Moreover, digital order-processing systems allow for instantaneous price-changes, allowing promotions to be applied easily and quickly to many different goods simultaneously.

While no technology has been devised which will allow goods to be shipped across the country in an instant, by eliminating these tiny sources of slowdown, we can ensure that any unnecessary waiting is cut from the chain – and that goods and services arrive in as timely a manner as possible.

Efficiency

Having an enormously efficient, reliable order-processing system also allows for advanced techniques to be used. For example, in order to keep storage costs low, many businesses take advantage of 'Just in Time' supply chains. These sorts of policies have large orders arrive just at the point they're to be used. This is especially useful in the construction industry, where many different interrelated jobs are reliant on one another, and high-value goods can't be left lying around on site for days on end.

With the precision that a modern order-processing system allows, we can be sure that an order will arrive precisely when it's supposed to – and so operators won't feel they have to place orders earlier than necessary, in order to avoid delays.

Another technique made possible by advanced order-processing systems is drop shipping. This is a technique whereby retailers are able to have goods shipped

directly from their suppliers to their customers, and so avoid the cost of storing goods themselves. This strategy requires a high level of co-ordination between parties up and down the supply chain – something that's only possible when they're able to communicate stock levels instantaneously.

Integration

A good modern order-processing system is one that works in conjunction with other elements of the business, along with outside parties. Integration with the Electronic Point of Sale software is enormously advantageous, as it allows online customers and customer service staff to see exactly how many of a given item are in stock, and how long it will take for the next shipment to arrive. If your payment provider is also integrated, then the order-taking process will be still more efficient – and a product can be shipped within just a few moments of an order being placed.

Fewer Mistakes

A powerful advantage of automation is that it avoids the possibility of human error. While an overstressed and tired human being might miscount an order, lose a vital piece of paperwork, or write an 'x' in the wrong box, a machine is incapable of doing so. Standard confirmation emails can be sent to customers instantly and automatically, and bills of materials can be generated in the same fashion.

Businesses which use these systems are able to configure them so that they comply with company-specific rules, and then allow them to get on with the business of processing the stream of incoming orders. By eliminating human involvement in the more mundane, mechanistic parts of order processing, you can free up labour for the more creative, problem-solving roles for which human beings are better suited.