What is an Order Manager? Why & When Do I Need One?
Part I

What is an Order Manager? The short answer – an **Order Manager** is a program that makes it easy to import data from your on-line shopping cart, process the orders in a timely fashion, import up-to-date product and customer lists and information, manage payments, and synchronize stock levels in real-time between all your sales channels.

Ecommerce is a very unique kind of business; in a way it mirrors the personal computer business. I remember way back in the early Apple Computer days, before IBM introduced their first PC, dealing with a 16 year old kid who had written a few computer games and started a small company to sell them. Before you knew it, he had hired both of his parents to work for him! Little companies sprouted up everywhere. Some stayed small and some grew into household names. Others flared brightly for a few months or years, then burned out and disappeared into the night.

This is still happening in Ecommerce; people starting small companies as a part-time job, hobby, something to do in retirement, or because they've been laid off from their job. The start-up cost is much lower than traditional businesses, so the risk tends to be low. Ecommerce is still a strong and viable business; don't let the horror stories of the "dot com" era mislead you. Meanwhile, traditional companies also start selling over the Internet, either with grandiose plans of becoming "dot com" giants, or because their customers encourage them, or maybe because all of their competitors already have a Web presence and they have decided to move into the future.

Many business owners set up their Web stores using an off-the-shelf "shopping cart" program, or a cobbled-together Website. If they have a bigger budget, or start talking to consultants looking for a lot of work, they may have a custom written system designed. If the designer/programmer does a good job, it's hard to tell the difference between a large, established company, and a one-person, part-time operation.

Then the fun starts! If the business has the right product, the right price, and the right search engine keywords, the orders will start trickling in. In a few cases it will be like that television commercial that UPS ran a few years ago where everyone at the startup company is standing around a computer watching as their Website goes live, and a trickle of orders starts and rapidly grows into a flood that they clearly are not ready to handle. OK, so that was a bit exaggerated, but do you know that there are a lot of companies that actually turn off or shut down their Web stores at their busiest times because they just cannot handle the orders? Leaving profits on the table *should* be one of a merchant's worst nightmares.

Which brings us to the point of this so far somewhat rambling article: You are in this for the money…**Right?** Ecommerce makes it possible for all kinds of companies, small and large, to profit from Internet sales. But it's also an extremely competitive business, and to make a profit you have to run a lean, efficient operation. The more you can automate and reduce labor requirements, the better chance you have of succeeding. The sad truth is that few, if any, shopping cart systems do much too actually help you *run* your business. They may be great at displaying your wares, attracting customers to your site and taking orders, but they don't seem to know that the real labor-intensive work starts **after** an order has been placed.

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Many merchants start out trying to run their business with Excel or QuickBooks for their financial records, and use UPS WorldShip or Endicia Dazzle (or similar programs) for shipping their orders. At 5 or 10 orders per day it's not to bad; however somewhere between 10 and 20 orders per day they hit a "pain threshold", where copying and pasting or retyping names and addresses and dealing with customer inquiries just stops being fun…or profitable.

 "**Why**" you need an Order Manager: So you can be efficient, profitable and successful.

 "**When**" you need an Order Manager: When you reach that pain threshold.

Finally that brings us to… Goldilocks? There are a wide variety of B.E.A.R.S. - Bodacious Ecommerce Aggravation Reducing Systems (or "order management systems") available. Some will be too big for you, some will be too small. Part of your future success will depend on picking one that is just right for your company. (I am now done mangling the Goldilocks fairy tale. My apologies to any fairy tale purists who are still reading this).

Next month we will explore the Goldilocks 'story' in more detail, getting into exactly what an Order Manager will do for your business and how it can bring everything together to allow you to operate as efficiently and effectively as possible.

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