

Order Fulfillment Analysis

Logistics and operations managers analyze total processing time from order to fulfillment, the variances between the original order and the delivered goods, and the business impact of goods that are returned, damaged or delivered incorrectly. The customers' ability to track the status of orders adds to satisfaction and ensures orders are accurately and promptly fulfilled as placed. Reporting on the status of orders, tracking the time to fulfillment across product categories and geographies, and analyzing the variance in delivery costs versus standards are first steps in order fulfillment reporting applications. Advanced analyses include trending performance against service levels, drilling into individual orders across fulfillment metrics and performing time series analyses on fulfillment steps to optimize results.

Sample Report: Order Fulfillment Performance by Region

Chicken Soup (12oz.) Fulfillment Analysis - May 2003

	Cases Ordered (000)	% Delivered On Time	# Cases Damaged (000)	% Cases Damaged (000)	Lost Sales Due to Stockouts(000)	Trend in Performance vs. Last Month
North America	4,587	98%	11.8	0.257%	\$ 91.74	↔
Latin America	5,645	97%	20.1	0.356%	\$169.35	↓
Europe	6,587	96%	12.3	0.187%	\$263.48	↑
Asia	4,198	92%	6.6	0.157%	\$335.84	↓

This report summarizes information on the fulfillment results across regions for a particular product, highlighting anomalies and providing a visual snapshot of performance trends. An operations analyst will use this report to determine regional performance and determine if steps need to be taken to mitigate lost sales and damaged goods. From the links embedded in the report, users may look at regions to determine causes for lost sales, including supply shortages, impact of new packaging or variation in performance of delivery methods - rail, sea, air or truck.

Key Performance Indicators

- Backlog Moving Average
- Trend in Delivery Time
- % Orders Returned
- Trend in Delivery Method
- % Delivered on Time
- Variance in Delivery vs. Order

COMMON BUSINESS QUESTIONS

- What is the average total order processing time?
- What percent of orders were delivered on time?
- What customers have the most delivery delays? The least?
- What are the trends in fulfillment across product line and geography.
- How many items are in the backlog?
- What is the average delivery time?
- Was there a variance between the ordered quantity and the delivered quantity?
- Which orders are in transit?
- Do we have delivery confirmation for all of today's deliveries?