

PRESS CONTACT: STEVEN J. EDELSTEIN – 1.800.759.5558 x3243

AS SEEN IN



Internet Fulfillment a.k.a. Revenue

By Steven J. Edelstein

The bottom line is – it's all about the business and it's all about revenue. How you get to that point – increased sales - is a direct result of the “channels” used to derive business. Internet strategy, e-business marketing is enabled and facilitated by sound, intuitive, back-end process and functionality namely Internet fulfillment. What is Internet Fulfillment and how can this discipline make the difference between ongoing sales, greater retention, enhanced loyalty...and business disaster!

Internet Fulfillment is the practice by which products and services are processed through the use of the World Wide Web (most notably: the Internet), business is transacted – through the use of a Merchant Bank and/or Merchant processor, communication is made between the company and the recipient, product/service is selected from an Inventory Management environment – being subject to a quality control/assurance process – and expedited to final packaging for shipment. During this process, all communication with the product/service recipient is consistent and timely, therefore constantly insuring customer satisfaction and reinforcing the business relationship. The Internet allows for a seamless transfer of information, convenience and cost savings, as well as the confidence that the purchase will be successful.

What does all this mean and how does it affect the financial bottom line? There are several areas of concentration to consider when engaging Internet Fulfillment – 1) Who is your target audience and what “tools” and level of communication do “they” need, and 2) What is the marketing message – or messages – that need to be deployed to create interest, enhance sales, and most importantly...build customer retention? Through analysis, process integration, and “snapshot” success story, we will unfold the “mystery” of Internet Fulfillment and put to rest any myths and misnomers that may be preventing the engagement of this viable and profitable selling channel.

The Internet can play a vital role in the integration of all program data relative to both client and customer activity. When we talk about revenue, business process and finance are at the top of the list. Ancillary functions such as finance, accounts receivable, accounts payable and general accounting need to be factored into the flow of information, as well as “accessed” to reconcile all orders achieved and all revenue generated. Financial information such as customer invoicing is greatly enhanced and secured through the use of Internet Fulfillment – thereby achieving accuracy and control over all order data and all corresponding financial information. Through the use of this “centralized” selling environment, accounting functions have the ability to act autonomously, as well as a part of the overall Internet Fulfillment process.

Another integration channel that is critical to the fluidity and accuracy of information is Customer Care. This function needs to have a direct “link” to all data in order to access and report up-to-date, timely information to both the client partner and customer. This is achieved through the seamless transfer of synchronized data to and from the Customer Care environment. Customer data such as name, address, city, state, zip, what was purchased, how much was purchased, when was the purchase made, how often does the customer make a purchase, etc. is captured, reported and integrated to the Internet Fulfillment environment. This critical customer data is actionable within the Internet Fulfillment environment and – as stated earlier – is integrated to the accounting function to insure accuracy of all customer information and purchasing history.

Security is of paramount importance when accessing and reporting any and all customer data. An Internet Fulfillment environment needs to allow various “levels of access” in order to maintain security standards. This is achieved through the development of “profiles of access” - based on need, depth of information, and position of authority. The “profile of access” will become the security “guideline” when creating access for anyone associated with a client program or an individual that needs access to a particular Internet Fulfillment environment. Customer data is sacred and should be treated as such. All measures should be established and implemented to insure complete security and accuracy. Executed correctly, customer data can be the difference between enhanced customer loyalty and satisfaction, and failed customer and business relationships.

Parallel to Customer Care – the Operations team should have the similar access to customer and order data. Inventory can be reconciled, back order status can be updated, out of stock issues can be resolved – all within the structure of the database – with consistent attention paid to order entry and inventory management. The “operations” access needs to include all product and/or service information, inventory levels, order status, materials update, and all ancillary information that could impact the timely distribution of a client’s product and/or service. The operation’s team should be able to interface with all alternate functions of the Internet Fulfillment process (i.e. Accounting/Finance, Customer Care/Service, Marketing/Sales, etc.) from a data perspective while be aware of all “issues” that could effect the operation’s channel.

Revenue has a direct relationship with marketing and sales. The goals achieved and sales revenue generated is a direct result of effective, pointed marketing – which utilizes all customer data relative to items purchased, customer profiling, and general management of relationships. As an integrated channel – Marketing and Sales – contributes to the “aspirations” the program would like to achieve, the revenue projections that are vital to ongoing growth and development of the program, as well as the management of all customer loyalty and retention programs.

How is this applied and are there examples of this today?

Without going into a lengthy dissertation about Internet Fulfillment and the very detailed step-by-step value of utilizing this channel of functionality, the following is an actual application, points of access, areas of concentration and customer interaction, and value proposition to both the client and the most importantly – the customer.



Fosdick Fulfillment has been utilizing – and managing - the Internet for client and customer interaction for several years. The proliferation of information – combined with the fluidity and accuracy of data (through and over the Internet) has allowed firms like Fosdick Fulfillment (and their clients) to completely take advantage of this very interactive and cost effective “selling” channel. This interactive environment offers information such as Business-to-Business (Retail) data reporting, Inventory Inquiries, specific order information and customer profiling, intuitive, dynamic program reporting,

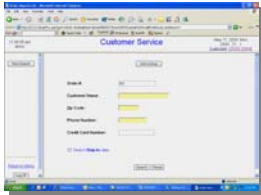
Comprehensive Customer Care/Service information, and synchronized PDA data integration.

This date environment offers opportunities to both a Business-to-Consumer, and Business-to-Business selling environment.

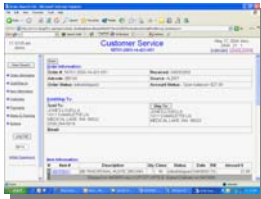
For our purpose, we will concentrate on Client and Consumer - Customer Service - and the business-to-consumer selling environment.



For *Client partners*, the ***Inventory Inquiry*** environment allows for a complete “view” of all inventory data, product activity, locations of inventory, update SKU’s, methods of distribution, expedited shipping calculations, weight (raw and packaged) of shipments, number of units per shipment, re-order points and minimum/maximum levels, and item class (i.e. Rush) and tax class (taxable entity) information.



Customer empowerment is important in today's world of information. Customer's need to have the ability to track their order(s), view the path of distribution from order point to final delivery, and generally – have access to information about their purchase. The order entry environment needs to be easy to access and easy to complete. Customer's will feel more compelled to “order” more – if they know that communication is just a phone call or “click” away. You learn from your customer and your customer learns from you.



Customer Data: Customer's must be able to access their name, address, critical order information and source information for reference. Order information along with all Customer Service notes can be accessed within this environment for detail, updates and future product sales. The more intuitive the environment – the better the communication – the greater the loyalty and retention of the customer – and the relationship.

The bottom line...make all appropriate information accessible, create an environment that is easy to use, but detailed in the data that is reported, and most of all – insure that all data is synchronized, and integrated for all communication.

Net, net...all the information reported is accurate and insightful. It provides detail for both the client partner and customer that assures complete confidence that all information will be processed, and product/service will be delivered based on the marketing promise that has been communicated.

Internet Fulfillment provides another channel of revenue, but another channel of communication.

The value proposition?

For the client? - Greater integration of data, access to another level of access to trading partner(s), an electronic link to its customer base (profiling information/Customer Management/learnings) – and 24/7 confidence.

For the consumer? – Access to order information, better service, more detail, a connection to the product/service company, and peace of mind.

The Internet – and Internet Fulfillment – have streamlined the way we service our clients, communicate with our customers – and deliver on our promise. It is important to recognize that this “channel” - used with intention and accuracy – can offer an opportunity for growth of business, enhanced customer loyalty and retention, and greater sales – which all contribute to the financial bottom line and...**Revenue.**

CONTACT INFORMATION:

Steven J. Edelstein
Managing Director - Corporate Marketing



(V): 800.759.5558 x3243
(F): 203.679.3290
(M): 203.314.6490
(E): steve@fosdickcorp.com