



Give Your Start-Up Business the Best Chance to Succeed by Outsourcing Warehousing, Fulfillment and Shipping

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Do You Recognize Them?

Our world is full of bustling, hard-working entrepreneurs who share at least one thing in common: They are starting up small businesses with big dreams.

- ◆ Often, they are working full-time jobs and launching their businesses on the side. Almost invariably, they plan to shift the balance over time until they can quit their day jobs and operate their own businesses exclusively. Most have no clear plan for achieving that goal.
- ◆ Some are creating bath soaps in their kitchens, wrapping them by hand, storing them in their closets and mailing them one by one as online orders come in through their websites to their laptops.
- ◆ Some are having trendy apparel created in the Caribbean, storing items on hangers in their garages, and shipping them out as orders are received; they are literally finding the blue shirt, the pink skirt, and the hibiscus scarf, wrapping them up together, printing the packing slip, and mailing the package.
- ◆ Still others are hand-tooling belts and buckles, designing and creating jewelry, writing and self-publishing books, formulating new fragrances, and creating hundreds of other products for offer in the Internet marketplace.



Start-up businesses are often home-based, with owners wearing all the hats in the early stages.

The product vision is limited only by imagination. The business model, on the other hand, may be limited by square footage, personal time and energy, and logistical realities. And this is where so many start-ups hit a wall.

Scaling the Wall

So, what to do when you hit the wall? When your garage is full, your closets overflowing. When your fingers are numb, your body and brain begging for sleep. When you feel like Lois Lane alone out there in Startupville. Or like Pi in the middle of the Pacific?

In true entrepreneurial spirit, you won't let it stop you—not a chance. But if you look closely at the wall, you'll see a message written upon it. "Get professional help!"

This doesn't mean you've lost your mind (despite feeling, sometimes, as if you have). It's simply time to engage a professional warehousing and fulfillment service provider, now, before you lose control of the really important aspects of your start-up business. [Outsourcing](#) at this point in your growth arc will enable you to scale fluidly, and substantially, without losing focus on managing and building a successful business.



Take Your Business Pulse

There are some questions you should ask yourself, at this stage, which may help bring clarity to your situation and confirm your next steps. We suggest jotting down your answers to have the entire picture in front of you.

- How many products (or SKUs) do you offer?
- Where are you storing them?
- Is air-conditioning required? Refrigeration? Humidity control?
- How many orders are you filling each month?
- How many items are in each order?
- Do you fill orders on demand each day, or on a weekly schedule?
- Which carriers do you use to mail or ship? Do you have a preference, and why?
- Do you mail/ship in envelopes, small boxes, or large cartons?
- Where are you storing them? (And your packaging tape, and mailing labels?)
- Do you use special protective cushioning, paper straw, or other special fillers?
- Where do you store those?
- How many invoices do you print each month?
- How many packing slips? Mailing labels? Return labels?
- How many returns do you process per month?
- Which product/item is your best seller? Your worst?
- When is your next new product due to launch?
- Are all items accounted for in an [inventory control](#) system?
- Have you established reorder points?

Answering these questions about your current operation will help you determine whether it's time to take your start-up to the next level, enabling you to boost sales and spur your next growth phase.

The Best Solution for You

Depending on your geographic location and the cost of rent and labor in the area, you may want to consider renting a small storage bay and hiring packing labor on a contract basis. One or two days a week, or every Saturday, for example, might be a productive co-working schedule for you. With this approach, you'll still be doing a lot of the fulfillment work yourself, in addition to managing hired help, but in some situations it may be a logical next step.

Another approach is to find a professional fulfillment center to handle the entire process for you. An expert, established warehousing, kitting and fulfillment provider will also be able to create and manage paperwork, shipping, receiving, tracking, automated inventory control, and reporting functions on your

behalf. A large center will employ teams of people skilled in those various functions and will have plenty of warehouse space, racks and pallets. They will have the necessary staff to cover breaks, absences and vacations. They'll have negotiated aggressive shipping and freight rates due to collective volumes, and will have their own licensed fleet for local service. They'll be able to accept pallet- and truck-size deliveries, unload and process them efficiently. And they'll be bonded or insured against damage, theft and natural disasters.

In short, a professional warehousing and fulfillment service provider will handle all the fun stuff that you don't want to deal with (and, as a busy start-up, shouldn't have to).

Supporting Your eCommerce Site

Most start-ups sell online—many exclusively online—and therefore use eCommerce software applications to enhance their websites with product specifications and images, shopping carts, secure purchasing options and similar functionality.

An advanced warehousing and fulfillment center will add significant value to your fulfillment services by [integrating with online eCommerce platforms](#), such as Shopify, WooCommerce, Brightpearl, eBay and Amazon, for example.

Here's a brief description of how that integration can work, using a fulfillment ordering platform, which we'll call Conduit, as an example on the vendor side. The vendor's proprietary application programming interface (API) browses your eCommerce website regularly throughout the day. Orders received since the last visit are sent to the fulfillment company and fulfillment staff are alerted. The orders are filled, with all the actions and paperwork that entails, and all systems are updated accordingly. Inventory counts are updated in virtually real time, product is shipped, and the fulfillment crew trades high fives for being so efficient.

The warehouse management system communicates the status of those orders to your eCommerce application. And the process begins again. As shipments are tracked, that data is captured in the warehouse management system. Returns are also easily processed. Essentially, all fulfillment activities are recorded in the fulfillment center's system, enabling it to generate a variety of preset reports at selected intervals. Many of these can be customized to meet your unique needs.

Of course, orders can still be communicated by email scan or fax, but using automated tools adds measurable speed, efficiency and productivity.

Don't Be Afraid to Ask

Asking the right questions, of yourself and any potential fulfillment service provider, helps you to clarify your current needs and better understand the options available to you. This clarity will translate to a greater return on your fulfillment investment and a higher probability that your start-up will become the business of your dreams—prosperous, profitable and successful. ■

This article was written by Gail Blount at [JKG Group](#) (954.794.7600). In addition to custom product packaging and fine commercial printing, JKG Group performs warehousing and fulfillment services for enterprises and entrepreneurs. Experience has taught us the importance of these services for start-up businesses as they outgrow their home offices and storage closets.

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