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# Vendor Drop-ship Integration

Retail Backbone White Paper

## Reach Beyond Your Grasp

What if you could offer customers thousands of new product offerings without taking inventory of a single item? What if you could do that seamlessly and still provide an outstanding level of customer support? You would have a revenue stream from orders that didn't require picking or packing. You would be selling products that never required a close out because they were never in your warehouse. You would be able to offer your customers a much wider array of product choices than what you have on the floor. Most importantly, you would be able to significantly increase revenue without adding a penny to your cost of inventory ownership.



Drop-shipping offers numerous benefits for both the vendor and the retailer. If done correctly, drop-shipping will provide an excellent additional revenue stream and give your customers a wider variety of products to choose from on your site (and in your stores). Since drop-shipping involves the combined efforts of several separate software systems and organizations, Retail Backbone's experience and flexibility will provide you with the confidence and support you need to begin drop-shipping.

# What is Drop-shipping?

Drop-shipping is the process of having the manufacturer directly fulfill orders placed on your eCommerce site. Vendors supply available to sell (ATS) inventory updates that can be sent to a retail channel. Online retailers generate orders for these products, the orders are processed by the retailer, and then a purchase order (PO) with the customer's shipping information is sent to the vendor. The vendor then sends the order directly to the customer and notifies the retailer of shipment.



*Retail Backbone has provided successful drop-ship integrations for over 60 vendors*

## Why Drop-ship?

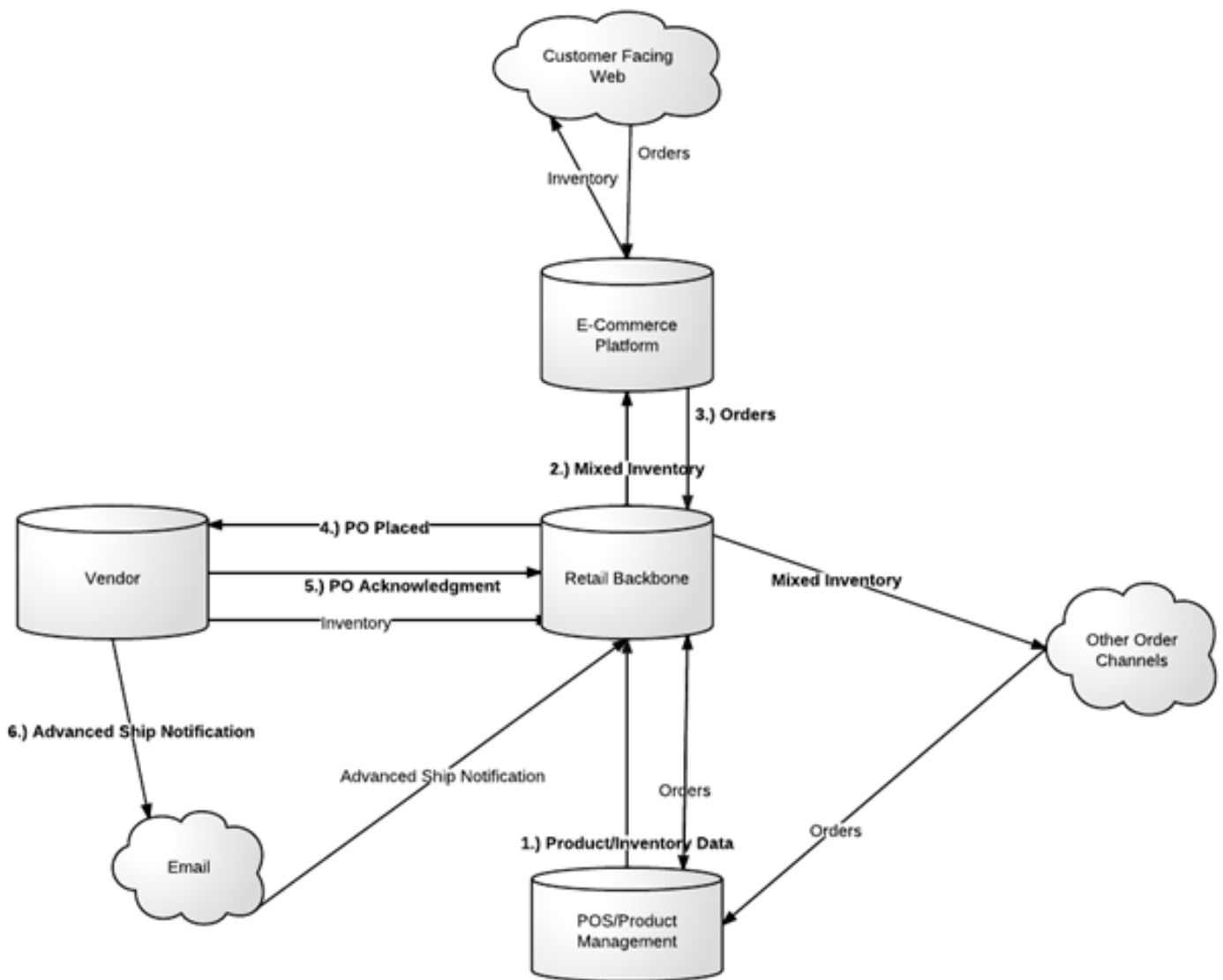
### Vendor

- Increases sales revenue by extending placement of products
- Increases brand visibility and awareness by providing more offerings on participating retailer's websites
- Provides retailers with a "no strings attached" method of selling discontinued or past season inventory
- Gives the vendor some control over data flow and data exchange

### Retailer

- Extends eCommerce product assortments and availability of "the right product at the right time"
- Enables brick-and-mortars to expand inventory with n additional shelf space
- Accelerated order-fulfillment and increased customer satisfaction
- Efficiencies/cost savings by not picking and packing—increases profitability

# Drop-Ship Integration: Sample Data Flow Diagram



\*Continue to the next page for a description of the steps that are taking place in the diagram above.

# Drop-Ship Integration: Sample Data Flow

## Steps

The following steps are taking place in the Sample Data Flow Diagram on the previous page:

1. Product information and inventory flows from your system to Retail Backbone. This allows Retail Backbone to determine which products from the vendor's catalog are on your website and allows Retail Backbone to match against inventory when orders come in.
2. ATS is processed from the vendor and pushed out to the Web along with store inventory levels. Vendor inventory going out can be controlled by you. For instance, you might decide not to push out vendor inventory unless the vendor has more than 5 units available (to avoid over-selling).
3. Order data flows back down to Retail Backbone. The order information can come from a variety of sources. It can be run through your system first. It can come from the e-Commerce platform directly or directly from other channels such as Amazon.
4. Retail Backbone coordinates order information and creates POs based upon your preferred logic. POs are created and stored in the database; they are then formatted and transmitted to meet vendor specifications.
5. Whenever possible, PO acknowledgment is gathered. POs that have been submitted and confirmed by vendors can be viewed through the Retail Backbone interface.
6. ASN is captured, in this case via email. At this point, an order update can be imported from Retail Backbone which will trigger an email to send tracking and product information to the customer.

## CONTACT US

For more information about Retail Backbone or to schedule a demo, please email us at [info@retailbackbone.com](mailto:info@retailbackbone.com) or visit our website: [www.retailbackbone.com](http://www.retailbackbone.com)