

## Optimize Ecommerce Multi-Warehouse Operations with Split Order Processing

[In a recent PwC consumer survey](#), 50% of respondents indicated they plan to increase their online spending—up from 43% the previous year. This shift in consumer behavior has pushed ecommerce operations to a critical inflection point—especially with promises of next-day and zero-delay shipping straining the most efficient of fulfillment processes.

As businesses expand across multiple warehouses and sales channels, efficient **split order** processing has emerged as a critical factor between brands that scale and those that stagnate.

In this article, we will walk you through the essentials of split order processing and how you can optimize your multi-warehouse operations, reduce shipping costs, and scale your e-commerce business efficiently across multiple sales channels.

### What is **Split Order Processing**?

**Split order** processing is a fulfillment strategy where a single customer order is divided into multiple shipments. For instance, a customer might order a laptop, mouse, and keyboard. Instead of shipping all items together, the retailer could ship the laptop from the main warehouse and the mouse and keyboard from a local fulfillment center for faster delivery.

### The Strategic Benefits of **Split Order Processing**

While split order processing can introduce complexity to fulfillment operations, automated order management can transform these challenges into opportunities for growth—enabling e-commerce brands to optimize delivery times, reduce shipping costs, and provide better customer experiences across their multi-warehouse network.

#### 1. Faster Fulfillment

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Consider this scenario: A global footwear brand operates warehouses across the US, Europe, and Asia. When a customer in Germany orders two pairs of shoes—one available in Europe and another in the US—an intelligent order management system automatically splits and routes the order to the appropriate warehouses. This automated approach not only speeds up delivery but also eliminates manual coordination between facilities.

## 2. Lower Shipping Costs

[Consumer studies](#) consistently show that high shipping costs remain one of the biggest factors influencing their online purchases. Split order processing directly addresses this by enabling retailers to ship items from the nearest possible location to the customer, rather than routing everything through a central warehouse. This minimizes cross-border shipping fees and transit times—ultimately allowing businesses to pass these cost savings on to their customers.

## 3. Improved Inventory Utilization

When businesses split their orders across multiple warehouses, they unlock their entire inventory network's potential. Rather than being constrained by the stock levels at a single location, split order processing allows them to fulfill orders by combining inventory from different warehouses. And with the integration of modern order management systems on top of everything, businesses can:

- Automatically track and maximize existing inventory across all locations
- Eliminate manual inter-warehouse transfer decisions
- Prevent stockouts through system-guided inventory distribution
- Maintain optimal stock levels through automated rebalancing

## Split Order Challenges and How to Overcome Them

As ecommerce operations scale, the challenges of managing split orders become increasingly complex. While these challenges can significantly impact business growth, modern order management systems provide sophisticated solutions that transform operational bottlenecks into competitive advantages.

### 1. Managing Multiple Warehouses

The complexity of coordinating multiple warehouses presents one of the most significant operational challenges in modern ecommerce. Consider a rapidly growing fashion retailer managing inventory across three regional warehouses. Without automation, their

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operations team typically spends several hours daily coordinating split shipments, manually verifying stock levels, and attempting to optimize fulfillment routes—activities that directly impact shipping speeds and operational costs.

Advanced order management systems like [Anchanto OMS](#) address this challenge by providing comprehensive visibility across the entire warehouse network. Real-time inventory tracking and automated decision-making eliminate the need for manual coordination between facilities.

When a customer places an order for items stored in different locations, the system instantly determines the optimal fulfillment strategy based on inventory levels, warehouse capacity, and delivery requirements. This automation not only accelerates fulfillment but also significantly reduces operational overhead.

## 2. Reducing Shipping Errors

Split order fulfillment inherently carries a higher risk of shipping errors, particularly as order volume increases. A mid-sized retailer processing hundreds of split orders daily faces significant challenges in maintaining accuracy across multiple shipment points. Without proper systems in place, error rates typically increase by 30% for split orders compared to single-location fulfillment—according to a [research done by the Aberdeen Group](#).

Modern order management technology addresses this challenge through sophisticated coordination mechanisms that synchronize every aspect of the split order process. The system maintains oversight of all split shipments, automatically generating appropriate documentation and implementing multiple verification points throughout the fulfillment process.

## 3. Maintaining Inventory Accuracy

Real-time inventory accuracy across multiple locations represents a critical challenge in split order management. Traditional inventory management approaches often fall short when dealing with the complexity of synchronized multi-location operations, leading to stockouts, overselling, and inefficient inventory distribution.

Advanced order management platforms solve this through sophisticated real-time synchronization capabilities. These systems maintain a single source of truth for inventory data, automatically updating stock levels across all channels and locations as orders are processed.

## 4. Managing Operational Costs

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The financial impact of split order processing presents a significant challenge for scaling businesses. Manual split order management often requires substantial labor resources, with costs typically increasing linearly with order volume. This scaling challenge directly impacts profit margins and can limit growth opportunities.

Automated order management systems address this challenge by streamlining the entire split order workflow. For instance, when a customer orders a winter coat and boots, the system automatically determines the optimal split order route—shipping the coat from a warehouse in New York and the boots from California. What once required multiple staff members manually coordinating everything, now happens automatically within seconds.

## [Conclusion]

As ecommerce operations become more complex, the ability to efficiently manage split orders has become a crucial differentiator—helping businesses serve customers faster and more efficiently by leveraging their entire warehouse network. The key to success lies not just in implementing split order capabilities, but in having the right order management system to automate and optimize these processes.

Leading ecommerce brands are discovering that:

- Manual split order management doesn't scale
- Automated systems significantly reduce operational costs
- Real-time inventory visibility is essential for growth
- Integrated order management drives customer satisfaction

For businesses ready to scale their operations, implementing a comprehensive order management system isn't just an option—it's a strategic necessity for staying competitive in today's dynamic ecommerce landscape.

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## FAQ: About Split Orders

### What does split to order mean?

Split to order refers to fulfilling a single customer order using multiple shipments, often from different warehouses or locations, to optimize delivery time and costs.

### What is an example of a split order?

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A common example is when a customer orders multiple items, and some are available in a warehouse in New York while others are in California. Instead of consolidating inventory, the order is split and shipped from both locations.

## **What are the risks in splitting purchase orders?**

Key risks include increased shipping errors, complex tracking requirements, higher shipping costs if not managed properly, and potential customer confusion about multiple deliveries.

## **What are the advantages of split orders?**

Major advantages include faster fulfillment times, reduced shipping costs, better inventory utilization, and increased flexibility in order processing.

## **What is order splitting procurement?**

Order splitting procurement is a strategy where purchase orders are divided among multiple suppliers or warehouses to optimize costs, delivery times, and inventory management.