

Cost Savings Estimate with a SaaS WMS

Labor Savings \$55,000

Category	SaaS WMS Saving
Productivity	-No physical inventory -self-directed, accurate (\$22,000/yr without errors)
Error reduction (data , re-handles, misplace)	Paper reduction, (savings: \$13,000/yr)
Clerical hours (double data entry, paperwork)	Reduce personnel or redeploy (\$20,000/yr)
Less customer service issues	Improve bottom line & CS

Shipping Accuracy \$96,000

Category	SaaS WMS Savings
Receiving/put-away errors (A/R corrections, loss, forklift travel, RF delays)	Automated, real-time into accounting (\$15,000/yr)
Improved Picking (50% of warehouse costs, reduce RMA)	
Replenishment Same-day orders & Outbound transportation	Reduce labor, errors, customer satisfaction (20% gain with RF, \$36,000/yr in pick hours \$10,000/yr in RMA)
	Expedite as normal order (50% reduction in forklift, location accuracy \$15,000, freight consolidation/LTL \$20,000)

Inventory Service Levels \$125,000

Category	SaaS WMS Savings
Inventory reduction	~ 5-20% one time (\$100,000 for \$2 Mil inventory value)
Inventory Carrying Cost (lower EOQ, safety stock)	~ 35% (\$25,000 on \$2mil inventory)
Customer collaboration (visibility, reaction time, SLA)	New business, keeping customers (15% of business ,your paycheck)

IT/Admin Resources \$53,000

Category	SaaS WMS Savings
Spreadsheet or legacy paper based system	Eliminate 95% paper (40,000 sheets/year or \$7,000/year)
Mobile Equipment	1 time avoidance gain (\$10,000) equipment maintenance (\$1,000/yr reduced)
IT support costs (support for paper or legacy system)	95% cost reduction (\$35,000)

* For a Small/Medium Sized Warehouse or ¼ of a big warehouse