



Growing Fast?
**9 Things Expanding
Warehouses Can Do
to Scale Parcel
Shipping**



The Parcel Shipping Challenges Faced by Growing Warehouses

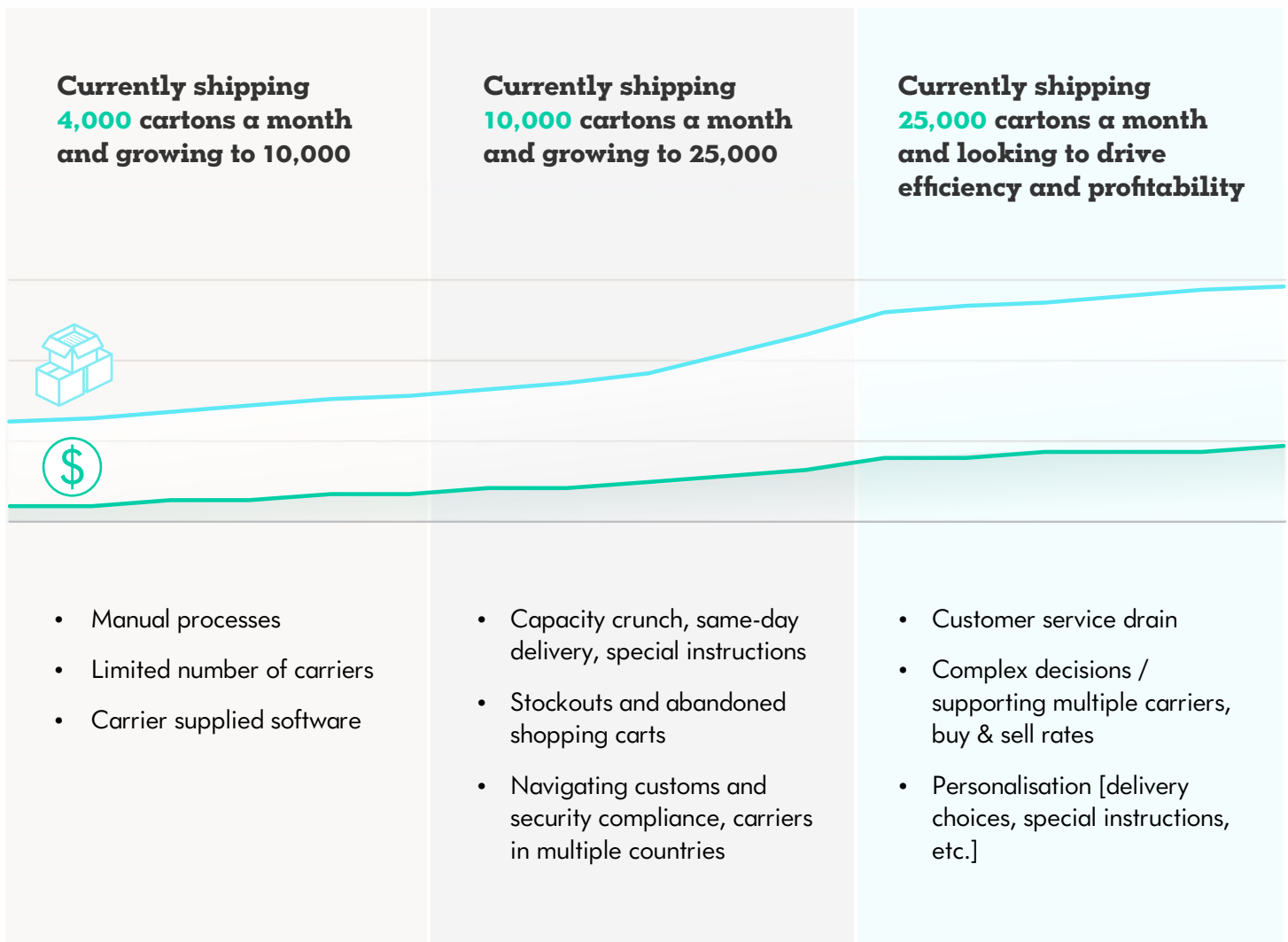
GROWING FAST? 9 THINGS EXPANDING WAREHOUSES CAN DO TO SCALE PARCEL SHIPPING

If there is one thing every business has in common, it is the desire to grow. However, the opportunities that come with growth, so come the challenges — especially in an environment where customer demand is driving the online e-commerce growth at a never-before-seen pace. According to ecommerceDB, the UK is the fourth-largest market for e-commerce, with revenue topping US\$118 billion [€1.1 billion or 940 million GBP] in 2021.

With an increase of 12%, the UK e-commerce market contributed to the worldwide growth rate of 29% in 2021.

Regardless of whether a shipper is a retailer, e-commerce player, 3PL, or other intermediary, the challenges they face as they expand their business grow and change with each level—while still sharing the ones faced as a fledgling company.

However, if you fortify your systems and processes early on and build upon them as needed, success can be had whether you are shipping 4,000, 10,000, 25,000, or more shipments a month.



Goal: Growing to 10,000 cartons a month

As the landscape changes with more shoppers choosing online shopping through traditional ecommerce stores and brick-and-mortar retailers making more online sales, shipping volumes are quickly picking up. Yet, at the same time, challenges mount as the number of shipments grows, even at lower levels that can derail a business striving for growth.

Here are some of the most common challenges facing shippers looking to grow their business and solutions to help them.

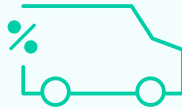


ISSUES



Manual processes

At this stage, companies are often still manually entering data and using spreadsheets and other cumbersome and disparate methods for recording and sharing shipping data.



Limited number of carriers

In the early stages, companies will often go with the "name" carriers. However, that can limit their ability to pick the best route or service.



Carrier supplied software

Single-carrier software is fine for that carrier. However, as shippers add more carriers, they are forced to jump between each carrier's software to check prices, routes, and services, increasing the risk of error while reducing productivity and profits.

Goal: Growing to 10,000 cartons a month



SOLUTIONS

1 Expanding Carrier selection

To keep up with the demands of increased shipping while delivering the best shipping experience to customers as the number of orders and final-mile deliveries grow will take a more significant number of carriers. This also allows shippers to choose the best carrier for that region or particular product. Smaller items can go with the best performing satchel carrier, larger bulky items go with specialists versed with 50kg+ orders.

2 Centralising shipping data

Even at a lower volume, the ability to access information from past experiences and current customers and carriers can help you keep your costs in line and productivity up and put systems and habits in place to propel your growth.

3 Single platform, carrier-agnostic software to manage carriers

Saving time is almost as important as saving money. In fact, they go hand in hand. For example, as shippers add carriers to their network, it becomes more difficult to compare the data to ensure you choose the correct carrier based on the route, rate, and service. Having that information available in one platform reduces the time it takes to find and compare data and eliminates the risk of missing a vital piece of the delivery puzzle that can cost you money and customer happiness.

Goal: Growing to 25,000 cartons a month

CURRENT: SHIPPING 10,000 CARTONS A MONTH

At this level, economies of scale begin to be realised, but only if companies ensure they are managed and working in their favour.

ISSUES



Capacity crunch, same-day delivery, special instructions

The increase in last-mile shipping volume has led to carriers seeing their capacity strained. At the same time, demand for same day [and even two-hour or less] delivery continues to grow, while customers expect to have more control over their deliveries from time of day, drop-off location, and other special instructions. This has added complexity, risks, and costs to shippers.



Stockouts and abandoned shopping carts

Even as the supply chain continues to strain under global cargo pressures, consumers are more knowledgeable and demanding. Retailers and other shippers need to deliver the products shoppers want when they want them, so having a firm handle on what is in inventory is essential and having that inventory accessible for delivery in the time frame that customers expect.



Navigating customs and security compliance, carriers in multiple countries

Your customer base grows as the world shrinks. No longer are shoppers looking from where a product is being sold or shipped. Instead, they are just looking to see how long it will take to get to their doorstep. To grow volumes, especially in the face of increased complexity and regulations brought about by Brexit, shippers find themselves increasingly shipping across borders leading to an extra level of customs compliance, and managing local carriers, wherever local may be.

Goal: Growing to 25,000 cartons a month



SOLUTIONS

4 Multi-carrier management solution

To handle the increased volumes while also overcoming capacity constraints from keeping your parcels from making it onto trucks, vans, and crowdsourced vehicles for the last mile, shippers at this level, need to rely on an increasing number of carriers. Of course, with that comes an increased need to manage these various carriers. A Multi-carrier management solution that puts information at hand can reduce errors, speed decisions, and keep efficiencies in line as your business grows.

5 Omnichannel Shipping Strategy

Of course, with the increased need for carriers comes a high demand for shipment distribution points. By utilising strategically located distribution points—including storefronts—retailers can cut the distance and time it takes to get items into customers' hands, saving money. This is especially necessary as more consumers grow to expect same-day delivery service.

As reported in *MotorTransport*, a survey showed that while a third (33%) of online shoppers believed that same-day delivery options were an essential factor in their delivery experience way back in 2020, that figure has now risen to 56%. But, as an increased carrier mix adds more moving parts to manage, so does having multiple distribution points spread throughout a region to meet the increased speed and service needed to meet customer expectations.

6 Single platform, carrier-agnostic software to manage carriers

Software that can ensure compliance and print documents needed for international shipments — With more customers willing to purchase products from just about anywhere, shipping becomes even more difficult as growing businesses expand their reach. In addition to managing only distribution, carrier selection, routes, and other typical tasks, there are now added layers of management to comply with different requirements of customs and regulations depending upon the shipment's final destination.

Goal: Driving efficiency and profitability

CURRENT: SHIPPING 25,000 CARTONS A MONTH

While it is easy to think your company is operating at peak efficiency at enterprise levels, the truth is you may be big but not as successful. Even when shipping 25,000 cartons a month or more, you may face some of the same challenges you faced when first starting but may be facing new ones limiting your productivity and profitability.

ISSUES



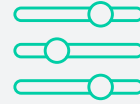
Customer service drain

The more parcels you ship, the more chances for customers to need assistance. It could be an issue that needs expert attention. However, it could just be a customer trying to find out when their package will be dropped off. On average, customers track an order six to eight times. And, according to OptimoRoute 24.6% of online shoppers said they were extremely likely to return to a brand that provides real-time order tracking. (Source: DigitalCommerce360) You want to service all your customers, but time spent tracking down a package manually can leave more crucial and time-sensitive issues unresolved.



Complex decisions / supporting multiple carriers, buy & sell rates

As a business gets more complex, so do its decisions. When dealing with growing volume, every decision is multiplied. Every decision from which carrier to choose, what service to pick, and what rates you negotiate.



Personalisation [delivery choices, special instructions, etc.]

Customers demand a lot. The larger you get, the more they expect. And, if you deliver the experience they are looking for, the more loyal they are. However, deliver a bad experience, and they'll not only not shop with you again, but they'll also let everyone know about it, hurting your brand.



Goal: Driving efficiency and profitability

SOLUTIONS



7 Track and trace

Having the ability to quickly and efficiently track and trace shipments wherever they may be in the supply chain can save valuable time for customer service agents. Better yet, including the ability for end customers to keep tabs on their deliveries will keep calls, email, and chats with customer service to a minimum, freeing staff time to fulfil more productive activity.

8 Shipping rate integration to cart for accurate pricing early in the process

Regardless of what new and changing demands customers have for their delivery experience, from sustainability to special instructions, the cost of their delivery will always take precedent. In Q2 2021, approximately 85% of orders on mobile devices in the U.K. were not completed, according to a Statista report. In addition, over the same three-month span, more than seven in ten carts created were left abandoned on computers, and the earlier in the process they understand the cost, the more likely they are to complete the order.

9 Leverage data and reporting

All the information needed to improve your productivity and adjust your operations effectively must be easily found and digestible. Composing the data quickly and accurately into reports can reduce the time finding the info and increase the time acting upon it, boosting productivity and profitability.

Parcel Shipping Solutions for Growing Warehouses

CONCLUSION

Life is all about growth, and so is business. Facing the obstacles to development with the right technology, systems, and procedures can help you not only be successful wherever you are in your growth cycle but in the next as well.

Currently shipping 4,000 cartons a month and growing to 10,000

1. Expand carrier selection
2. Centralise shipping data
3. Move to single platform, carrier-agnostic software

Currently shipping 10,000 cartons a month and growing to 25,000

4. Adopt multi-carrier management
5. Embrace omnichannel shipping
6. Manage all carries on a single platform

Currently shipping 25,000 cartons a month and looking to drive efficiency and profitability

7. Implement track and trace
8. Integrate shipping rates in shopping carts
9. Leverage data and reporting to improve shipping performance



Smarter Shipping to Power Growing Warehouses

HOW **SmartFreight**® MAKES SHIPPING SIMPLE

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Stay in the know, every step of the way	Discover the best route for your needs	SmartFreight® benefits, at a glance
<p>Enhance trust in your business and make life easier for your team by offering the ability to track deliveries online and proactive branded emails with all the details customers need to track their shipment.</p>	<p>Easily strike the right balance between customer expectations and commercial needs by determining the right provider and route based on price, time, service standard, or smallest carbon footprint.</p>	<ul style="list-style-type: none">• Private or public cloud, or on-premise• Drop shipping• Single Tracking Portal• Returns management• Invoice reconciliation• Dangerous goods

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