



The 11 Biggest Shipping Mistakes Revealed from Logistics Leaders

A comprehensive guide filled with tips on how to reduce costs and meet customer expectations

Introduction

Shipping customer orders may seem like one of the more straightforward tasks associated with running an ecommerce business, but those who do it firsthand know that's far from the case.



Alongside life, liberty, and the pursuit of happiness, you can now add another inalienable right: 2-day shipping on practically everything.



Christopher Mims,
WSJ Reporter

There are plenty of things that can go wrong. Here are the overall challenges:

- Several crucial steps must occur before an order is ready to ship.
- Various methods and options are required to both prepare and ship orders.
- There is no one-size-fits-all approach when it comes to shipping strategies.

What works best for your business will depend on your audience, budget, products, and a variety of other factors. And no matter how you go about it, one thing that's certain is your shipping strategy is key to your online store's success.

Even if you have the right technology in place and a knowledgeable team dedicated to fulfilling orders, common issues can arise that lead you to overspend, make customers wait, or even damage your reputation.

No matter how you fulfill orders, a sound shipping strategy is one that's continuously revisited and optimized.

ShipBob works with thousands of ecommerce brands to streamline fulfillment.

In this guide, we share the top mistakes ecommerce brands make when it comes to shipping, the solutions to these common issues, and lessons learned from leading brands.

Top Shipping Mistakes:

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Packing orders inefficiently

While choosing and using packaging materials and boxes may seem simple, there are plenty of ways the packing process can lead to downstream issues.

The goldilocks principle

You know the story of Goldilocks and the Three Bears. Picture this fairy tale but instead of porridge, we're talking about searching for packaging that's neither too big nor too small. To get it "just right," you have to avoid these two mistakes:

Mistake #1: Choosing too large of a box

Why is this a problem? You will be overcharged for the space it takes up. What's the solution? Be aware of dimensional weight and find the right box option (more on that in Chapter 4). Consumers are also quick to share photos of packaging waste when a small item is in a large box.

Mistake #2: Choosing too small of a box

Why is this a problem? The product may be damaged or harmed. What's the solution? Don't risk cramming everything in. Find the right sized box and use packing materials to supplement, such as kraft paper or other dunnage to help hold items in place.

Poly mailers vs. boxes

Cardboard boxes are a staple in the shipping industry, but they can be unnecessary for shipping certain products. Due to their light weight and small size, poly mailers cost less to ship than boxes. These sturdy bags and envelopes include a self-sealing foldover lip, so no tape is needed. Some even come padded with bubble wrap.

If you sell small, non-fragile products like clothing or items that aren't susceptible to getting crushed or breaking without a box, shipping orders in a mailer or poly bag can be far more cost-effective than boxes. Not to mention, poly mailers can often fit in a mailbox, which reduces the chance of theft as compared to a package that's sitting on a porch or in a yard.



Too fancy vs. not customized enough

When you think of deliveries, you might picture an Amazon Prime box. Most Amazon customers even think they are purchasing Amazon products — not from the brand who created them. While most ecommerce orders are shipped in plain, brown boxes, some choose to use custom branded boxes and other packaging materials.

If you use branded boxes, make sure they don't have dimensions that fall outside of standard box sizes major carriers use, or you may face additional fees. Of course, customization is going to come at a cost.



I added additional inclusions for my orders like stickers from noissue and got them implemented right away. With ShipBob, I can maintain my brand experience. It doesn't end on my store — it lasts through that unboxing experience.



Tracey Wallace,
Founder of [Doris Sleep](#)

Overlooking environmental concerns

It's no secret that packaging and transportation both have an impact on the environment. And as online shopping continues to be an essential part of our daily lives, it's critical to consider the waste that comes along with it.

Nowadays, not being eco-friendly can alienate many consumers.



87% of consumers

will have a more positive image of a company that supports environmental issues.



92% of consumers

will be more likely to trust a company that supports environmental issues.

Additionally, [another survey](#) found:

- Over two-thirds of purpose-driven shoppers will pay an added premium of 35% or more for sustainable purchases, such as recycled or eco-friendly goods.
- 73% of consumers would change consumption habits if it meant reducing their impact on the environment.

Sustainability is baked into the mission of many ecommerce brands. And those who market being environmentally-conscious need to walk the talk.

Opt for eco-friendly packaging

As we mentioned before, packaging is necessary to get orders delivered safely while preventing damages in transit. But plastic bags, bubble wrap, and many other materials are not biodegradable and lead to a lot of packaging waste.

Luckily, there are [eco-friendly packaging options](#) that help you make smarter, more sustainable choices that are better for the future of our planet. Options like compostable or biodegradable mailers can help minimize the impact on the environment. ShipBob has several [partners](#) that provide these solutions including noissue, Arka, and Packlane.

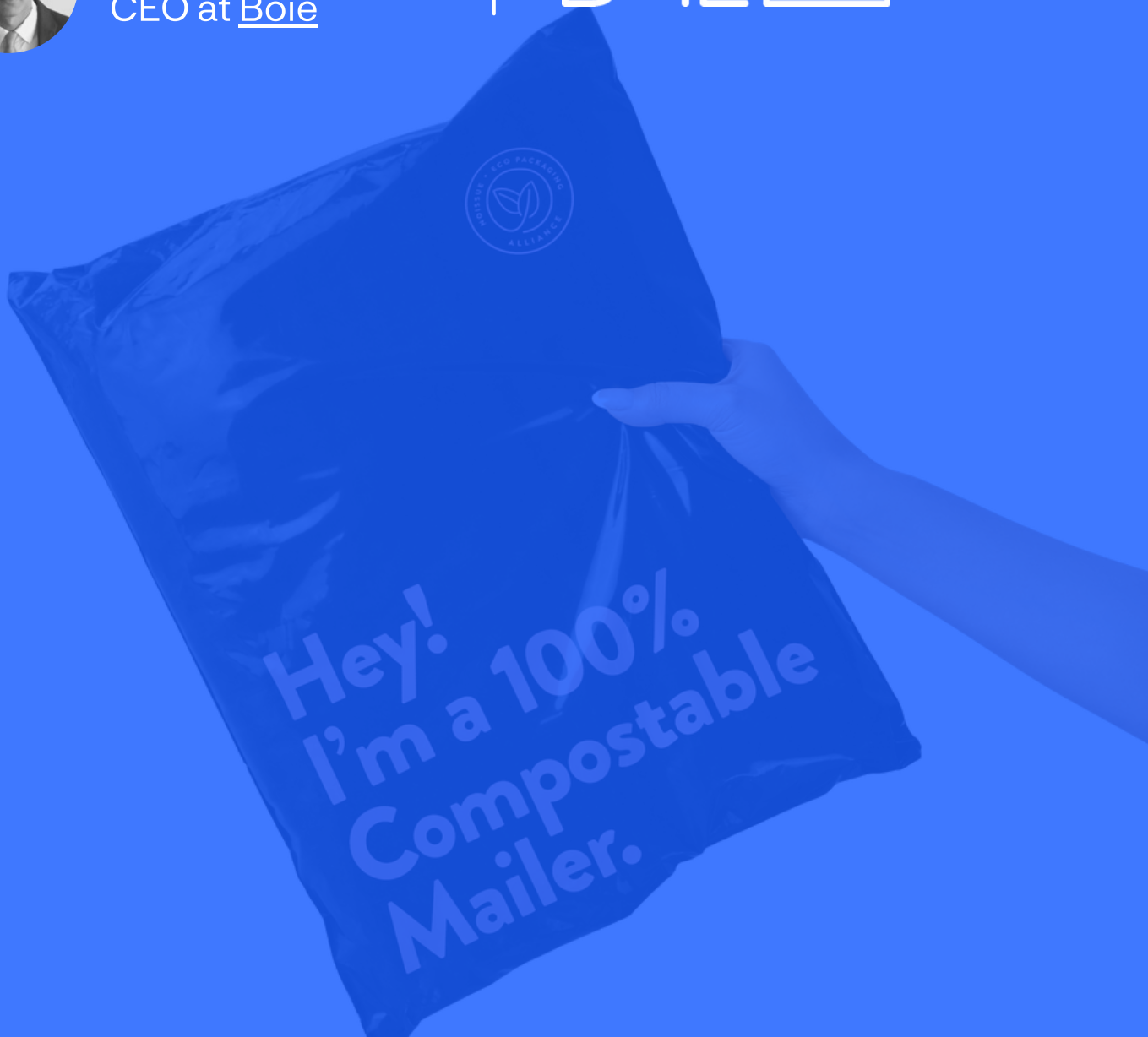
What's even better? Ditch extra packaging altogether. Ship-ready, or ships in own container (SIOC) packaging, means you don't have to add another box if your product's packaging is already secure and protected. All you do is place a shipping label on it.

We use noissue's eco-friendly mailers that are 100% compostable, and ShipBob ships hundreds of orders out for us in our custom branded packaging each day. We rely on a great post-purchase experience for this, and ShipBob is a fulfillment partner that is truly an extension of our brand.



Manuel de la Cruz
CEO at Boie

BOIE **USA**



Offset your carbon emissions

Eliminating carbon emissions entirely is nearly impossible when it comes to logistics; however, you can choose to offset your carbon footprint. It's one way to reduce the harmful effects of carbon-emitting activity through funding projects that give back to severely impacted communities and even reduce future emissions.

For example, ShipBob partnered with [Pachama](#) to help merchants offset carbon from all orders shipped through ShipBob's fulfillment network. Pachama calculates monthly shipping emissions, enables the quick purchase of carbon credits, and provides brands with tools to share their commitment to sustainability. When ecommerce companies choose to fulfill their orders through ShipBob, they're choosing a carbon-neutral service provider, as we offset emissions across our fulfillment operations.



Our business is built on sustainability and we aim to provide our customers with carbon neutral products from our natural sources to their front door. That is why we work with ShipBob to offset carbon emissions from our ecommerce supply chain.



Fannar Jónsson,
Quality and Environment
Manager at [Blue Lagoon](#)

Shipping from suboptimal locations

When you're fulfilling orders in your home and shipping from a local post office, you are limited to one location from which you can ship. If you're in a big city or populous region, you can efficiently reach people in your neck of the woods. But what about your customers from other locations? If you're on the East Coast of the United States, for example, it can take up to a week for an order to arrive on the West Coast. Not only is this a long transit time, but it is also more expensive than if you were shipping from the East Coast to another East Coast destination.

You don't have much control when you are fulfilling orders in-house, or until you outsource fulfillment to a third-party logistics (3PL) provider, but below we explain why this matters to your bottom line.

Understand shipping zones

Shipping zones are the geographical areas that carriers ship to, spanning from Zone 1 to Zone 8 for domestic shipments in the United States. Shipping carriers use shipping zones to measure the distance a package travels – not in miles but rather groupings of zip codes – from the point of origin to the destination.

Here is important information to know about shipping zones:

- The location from which an order is shipped is the point of origin and located in Zone 1.
- The address it's shipped to is the destination zone.
- The destination zone number will depend on how far it is from the point of origin, with Zone 8 being the farthest away.
- If a package is sent nearby (e.g., Zone 1 or Zone 2), it will almost always arrive in fewer days than a package sent to a higher zone, like Zone 7 or 8.
- Reducing time in transit is important, because slow shipping can cost you and your customers.



“

We just expanded into ShipBob's Pennsylvania facility and are also using their fulfillment center in California. Storing inventory in different regions is key to reducing costs and transit times. Now we are excited to offer 65% of our customers with 2-day ground shipping, up from 32%. Soon, this will be 100%. Not only is this better for our customers but we also gain a 13% savings to our bottom line.

**Pablo Gabatto**

Business Operations
Manager at Ample Foods

AMPLE

Store inventory in multiple locations

If you outsource fulfillment, you have more flexibility over choosing a fulfillment center location. The location from which you ship orders should be near your customers, as determined by analyzing your past order history. If your customers are geographically distributed, utilizing fulfillment centers in strategic regions (once it's cost-effective can help you reach more people, faster, as opposed to shipping from a less densely populated area that can't reach as many people efficiently.

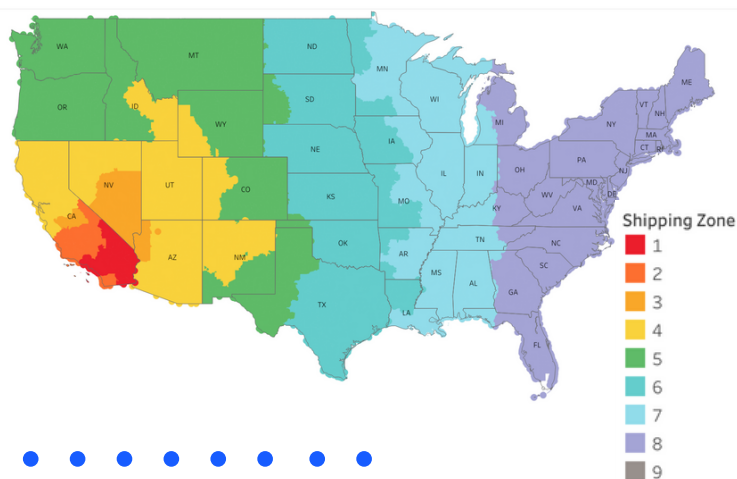
In the maps below, we compare the use of one fulfillment center in the continental United States with three fulfillment centers. The legend shows the color of each shipping zone, with red representing the closest and cheapest zone to ship to. As the zones increase, the colors shift to orange, yellow, green, blue, and even purple.

The map on the left shows that when using just one fulfillment center (in Moreno Valley California), we see one region of the country has shades of red, orange, and yellow, yet much more is green, blue, and even purple — where the shipping rates will be higher, since it will go to higher zones.

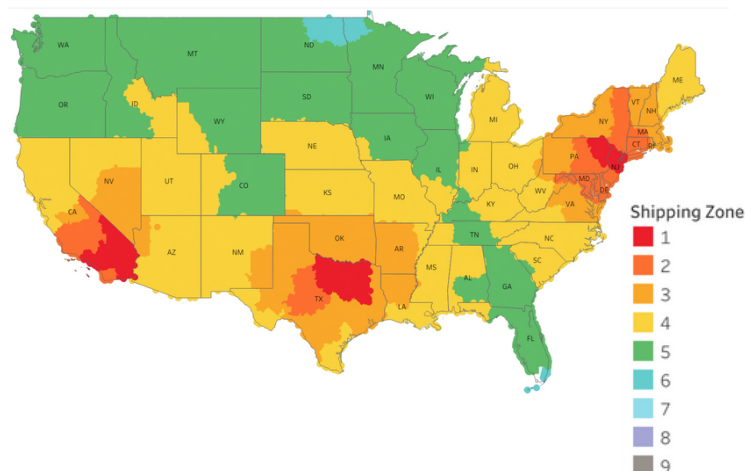
The map on the right shows that when using three fulfillment centers (in Moreno Valley, California; Dallas, Texas; and Bethlehem, Pennsylvania), there are many more red, orange, yellow, and green areas. We've also eliminated any areas in Zones 7 and 8, leaving only a couple of areas that are in Zone 6. These three fulfillment center locations also provide coverage in highly populated states (California, Texas, and Pennsylvania), where the remaining green areas are in geographically large states that have a small population (Montana, Wyoming, etc.).

**Map of continental United States:
Shipping zone coverage
by fulfillment center location**

1 fulfillment center



3 fulfillment centers



Optimize your ecommerce strategy with ShipBob

A 3PL company can optimize fulfillment by providing a geographic footprint that a single ecommerce brand could not afford on their own. Tech-enabled 3PLs like ShipBob can automate the fulfillment process, using algorithms that route each order to the optimal fulfillment center. As each order is shipped, tracking information and each step of the shipping process is sent to your store and shared with your customer.



As we started to hit that first inflection point of growth, it became apparent we needed to look for a 3PL that could help us expand geographically in the US and also drive down shipping costs and expenses. We distribute inventory across ShipBob's fulfillment network so we can be closer to major distribution hubs, shipping carriers, and more of our customers. Since switching to ShipBob, our fulfillment cost on comparable orders went down by 25%.



Michael Peters,
VP of E-Commerce
Operations at [TB12](#)



4 Ignoring DIM weight

Shipping carriers use the dimensional weight pricing technique to estimate weight calculated from the length, width, and height of a package, using the longest point on each side.

The shipping cost will be based on whichever number is greater: the actual weight of the package or its calculated dimensional weight.

As we covered in Chapter 1, if you're using too big of a box for a small or lightweight item, you will overpay on shipping because of the space the package takes up (since larger boxes can lead to a higher dimensional weight, which in turn will lead to more expensive shipping costs). You can calculate DIM weight [using this calculator](#).

You may choose to purchase custom boxes if you have an unusually shaped product or to reduce your package sizes if you're in between standard box sizes. If you want to save on DIM weight and ship a sturdy, non-fragile product, you can use poly mailers to reduce weight and size.

Some fulfillment centers have more advanced technology and automation to optimize for order weight and size. For example, ShipBob uses Cubiscan machines and a box selection algorithm, which uses dimensions and your packaging preferences to tell us which box size we should use for any order combination. Once orders are packed and labeled, ShipBob's automated sorting machines verify package dimensions and weights, and automatically sort packages into the right carrier lane.

Fulfillment by ShipBob is easy to estimate because we know the true fulfillment cost. It makes it a lot easier to spend marketing dollars when we know exactly what shipping costs are going to be.



Greg MacDonald,
CEO & Founder
[Bathorium](#)

5 Underestimating costs

Shipping isn't cheap. As we mentioned in the last chapter, shipping costs depend on a variety of factors including the package dimensions and weight, the shipping destination, shipping service, and carrier used. On top of that, below are a few reasons why shipping costs may be higher than expected.

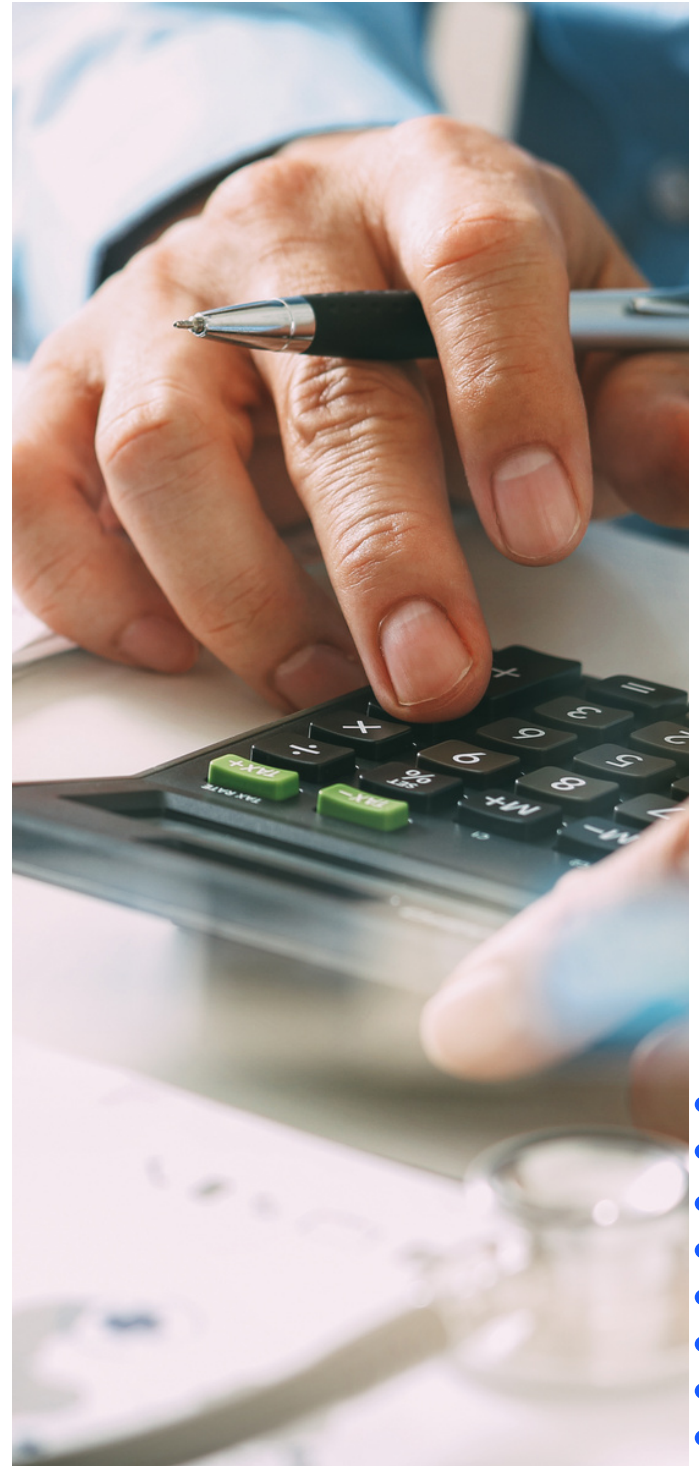
Plan for general rate increases and carrier surcharges

Carriers raise their shipping rates every year, and you should expect a general rate increase (GRI) of 5-10% annually.

Additionally, events like COVID and the holiday season can cause the carriers to become overloaded, leading them to implement surcharges, further increasing the price to ship a package.

Consider other potential costs

Many brands fail to account and budget for landed costs, or the total amount of money it costs to create a product, transport it, and have the customer receive it, including import duties, shipping insurance, and other unplanned costs (such as damages, split shipments due to out-of-stock inventory, reshipments due to damages or mis-picks, and even returns).



A/B test various pricing strategies

There are different ways to charge for your products and shipping, each of which have implications for your bottom line. You need to balance covering your costs with making your customer feel like they are getting a deal. See what resonates with customers and gets them to take action. Try testing the following pricing techniques and promotions to see what works for you:

- Offer a flat rate shipping fee to all customers using a blended average shipping cost across all of your orders.
- Put parameters in place for orders that meet different criteria to more accurately reflect the true cost of shipping (e.g., charge different shipping fees for orders going to different countries, one shipping fee for orders that are over a certain cart value or weight, etc.).
- Charge customers a reduced shipping cost while only slightly increasing the product price (e.g., charge customers half the price of shipping but bake the other half into the product price).
- Charge real-time carrier rates (Note: When you increase the amount of money you charge customers for shipping, there may be a negative impact on your conversion rate).
- Increase your product price (which can also have a negative impact, depending on the value of your items and your customers' willingness to pay).
- Offer incentives to get people to spend more money so you can increase your average order value (AOV). More on that in our next chapter!





Factor in returns

Returns are extremely costly and inefficient. Shipping an order one way is expensive enough, but if the customer has to ship it back to you, and then you have to ship something new to them, you have tripled your shipping costs (or doubled it and lost that customer's business entirely).

Closely monitor your return rate to see which products your customers are returning or exchanging most often. Understanding how to reduce returns is key to profitability (and is better for your carbon footprint, as we mentioned in Chapter 2). Pending this analysis, you may need to take action, such as:

- Revisit your ecommerce returns policy to see whether you should make customers responsible for covering return shipping costs if you're losing too much money.
- Update your product pages and descriptions to clearly communicate more helpful details like sizing charts, customer reviews, and user-generated content so visitors can get more accurate information.
- Tweak your product at the manufacturing level if something about it is awkward, uncomfortable, unuseful, prone to damage, or otherwise provides a poor experience for your customers (from the packaging, to the applicator).

Not offering free shipping

Free shipping is unsurprisingly the biggest conversion rate driver:



74% of shoppers

rate free shipping as important when checking out.



90% of consumers

view free shipping as the top incentive that would encourage them to shop online more often.



86% of shoppers

abandon their shopping cart because of the shipping cost.



93% of shoppers

claim they will take action to qualify for free shipping by adding items to their cart.

It may seem counterintuitive to offer free shipping when it can be so expensive to ship orders, especially to high zones as we covered in Chapter 3. But there's a way to do it and stay profitable.

Ecommerce brands that incorporate free shipping into their pricing strategy must determine how to do it without hurting their margins.

Don't think you can afford it? Utilize one (or more) of the strategies below (in addition to tips mentioned in Chapters 1-4 to make shipments cheaper)

Note: You can start small, and mimicking an Amazon Prime-like offer of free 2-day shipping may not be as hard as you think (more on that in Chapter 7). Free shipping may also come at the cost of a longer transit time (and you can still have customers pay for expedited shipping if they need it fast).

Increase the product price

Adjust the product price to absorb the shipping cost and offer free shipping (this typically works best if you sell expensive products). By baking the cost of shipping into the product price (using the average shipping cost), you can cover your costs.

Increase your AOV

You can offset the cost of offering free shipping by putting a minimum spend threshold in place that's at least 10-20% higher than your average order value (AOV). This way, you can incentivize shoppers to spend more — without any surprises at checkout.

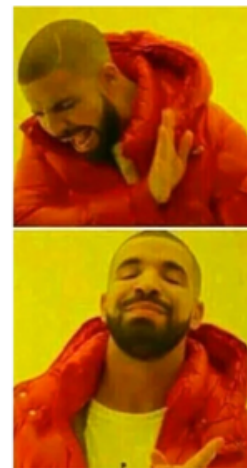
Offer bundles

Create a seasonal or special edition product bundle (e.g., a ‘Summer Savings Bundle’) by incentivizing shoppers to receive more of your products while getting a discount.

- Be sure to highlight the value of your bundle, and even give a side-by-side comparison with the individual products so shoppers can see the savings.
- On your home page, you could feature three options side-by-side along with the bundle option in the middle (knowing that most consumers choose the middle option).
- You can even use words like “Best-Seller” or “Staff Pick” for some social proof and to make the decision easier for the shopper.

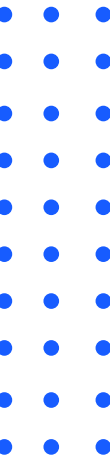
Don't forget to promote your free shipping

Whatever you do, don't forget to promote your free shipping offer. Make it the center of your email and SMS campaigns, social channels, and other places you get the word out. We've seen that ‘free shipping’ is the single most-effective website banner you can have on your site to increase conversions.



\$25
\$5 shipping

\$30
Free shipping



Customers get accustomed to a certain shipping service level at a low price — often free — and want it faster over time. Ever since we started our partnership with ShipBob in the summer of 2018, they've been able to deliver the customer service level we need at the right cost. We've seen an uplift in conversions by offering free shipping thresholds and 2-day shipping.



Michael Peters,
VP of E-Commerce
Operations at [TB12](#)

Compromising the customer experience

The world of ecommerce allows consumers to quickly look elsewhere when their expectations are not met. It doesn't help that direct-to-consumer brands are expected to have the same operations and order fulfillment services at their disposal as global retail giants. Here are a few considerations to help ensure your shipping experience doesn't let customers down — and may even help nudge your customers to order from you again — no matter your size.

Offer fast shipping

While most customers won't be willing to pay expedited shipping prices, some may encounter a situation where they are in a pinch and need your product ASAP (e.g., a procrastinator in search of a birthday present, or the children who forgot to get a Mother's Day gift). When this happens, they'll look at your shipping options at checkout. Slow delivery speed is a top reason for abandoning a shopping cart.

Having expedited options can help convert more browsers into customers.

Send customers tracking numbers

Shipment tracking, estimated delivery dates, and updates on order status play a key role in the customer experience, letting buyers know when to expect their order and track any potential delays. This helps customers be self-sufficient while reducing support tickets for you.

Most shipping and fulfillment platforms make it easy to send these updates from the carriers back to your store, so they can be automatically shared with your customers. You can also encourage your customers to sign up for the shipping carriers' programs that strive to make managing deliveries easier and more flexible, such as [UPS My Choice](#) and [UPS Access Point](#) if they have concerns about theft and not being home during the delivery attempt.

SHIPTIP: 2-Day Express Shipping

ShipBob's 2-Day Express Shipping lets you offer an Amazon Prime-like shipping experience through any ecommerce platform that integrates with ShipBob to use delivery to beat customer expectations and own more of the customer relationship. It offers 100% coverage in the continental US from even just one fulfillment center, as it optimizes for ground but ships via air when possible, with a high on-time delivery rate.

“ShipBob helps us deliver on our customer expectations. We've seen a spike in conversions since applying ShipBob's 2-Day Express, which lets us stay ahead of the competition that offers similar products seen by our customers. Our job is to drive traffic to our website and ShipBob's 2-Day Express shipping is an option that a lot of our customers are very happy with.



Matt Dryfhout
Founder & CEO of [BAKblade](#)



BAKBLADE
Body Grooming Co.

Have a clear shipping policy

Every ecommerce site should have a well-documented shipping policy that outlines important information to answer shoppers' questions in a fast, concise way. It should include details about costs, methods, locations, and shipping timelines (e.g., if they place an order by noon local time of your fulfillment center on a business day, the order will be shipped that day). Additional information like a returns and exchange policy is also extremely helpful and can prevent downstream frustrations.

Communicate with your customers when issues arise

With logistics, there will be issues that are outside your control such as shipping delays among carriers — whether it's due to them being overloaded from the holidays or weather issues that prevent them from getting on the road. ShipBob aggregates shipping data across tens of millions of shipments for thousands of ecommerce brands, and updates [shipping carrier transit data](#) weekly to show time-in-transit averages for the four leading carriers in the United States.

If you're seeing transit times trending slower, let your customers know. Similarly, if your fulfillment center is closed (e.g., on weekends or for a holiday), don't let planned delays come as a surprise to your customers.

If this happens, you can update your order confirmation page, your confirmation email, and other touch points. Customers will be understanding if you are proactive and as long as expectations are set.

Similarly, if inventory shortages occur, be sure to apologize. For example, if your crowdfunding campaign is taking longer than you thought, let customers know. If someone is waitlisted for a hot-selling product, keep them in the loop on when it will be back in stock. Did they place an order that contained an out-of-stock item? Tell them. If their order contains multiple items, and you have to split the shipment (sending them the product that's in stock now and shipping the final item once you have it again), tell them to expect two separate packages.



Approaching international shipping the wrong way

A lot of businesses get started in their home country and ship to other countries over time (and eventually might even fulfill orders from other countries). Shipping overseas has its own set of challenges compared to domestic shipments. Here are six of the most important considerations.

Confirm you can ship your products to various countries

There are certain types of products you can't ship internationally or through certain carriers or services. This includes restricted or prohibited items (e.g., those that are considered HAZMAT or dangerous goods), packages over a certain weight, and other country-level differences. When in doubt, Google "Can you ship ___ to ___?" For example, if you sell CBD products in the US, you'll have to stick to domestic orders (and even keep an eye on federal and state regulations that are subject to change).

Different countries have different regulated items, tariffs, taxes, and requirements for incoming shipments, so it's important to navigate international shipping carefully.

Once you know there are no restrictions on your products (including their ingredients and materials), you'll need to make sure you have the proper documentation for the package to be received locally such as a commercial invoice.

Show where you ship to and from

A customer should know if their address is eligible for shipment before they make it to checkout. Be transparent on your website about which countries you can ship to, how much delivery will cost, and if there will be any duties paid upon delivery that the customer is responsible for.

We have seen that Canadian customers order more when they know the order ships from within Canada and they do not need to worry about additional taxes if the order comes from the US. From our history through the years with ShipBob, it was a no-brainer to expand into other markets with them knowing that they have done their due diligence to meet the ShipBob standard.



Marc Fontanetta,
Director of Operations
[BAKblade](#)

Understand import duties for each country

Every country can be different and require you or your customers to pay a hefty import fee. Import duties, which are sometimes paid upon delivery, can prevent customers from ever getting their package if they refuse to pay the carrier in their home country.

For example, shipping within the UK or within the EU can help simplify cross-border shipping for member countries, but be aware of any changes in the landscape. One big disruptor of this is when Britain exited the European Union on January 1, 2021 (known as Brexit). EU consumers now face value-added taxes (VAT) and customs duties when buying products from the UK.

These changes can highly impact international buying behavior since consumers are more reluctant to purchase items that ship from the UK. While the full impact of Brexit is still unfolding, the changes will result in new regulations and require merchants to set up unique VAT and EORI registrations for the UK.

Provide order tracking

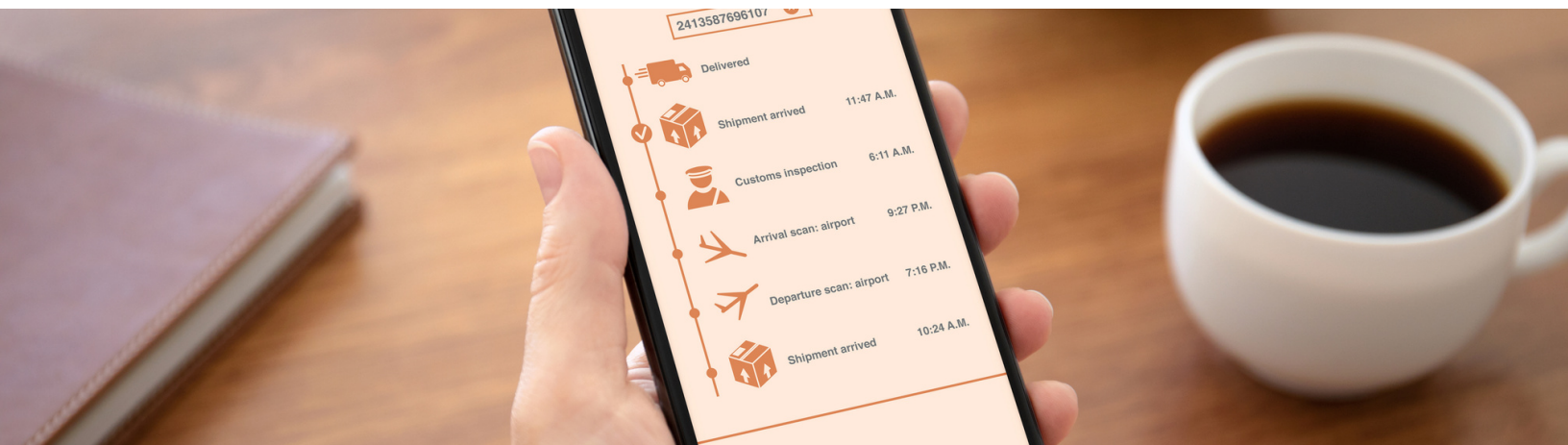
Losing an international shipment is not fun, given the potential changing of carriers' hands, modes of transportation, and various governing bodies.

Sharing tracking information with the recipient is important, especially if the destination country requires pickup and signature from a specific place.

However, international shipping doesn't always have the most insightful chain of custody, but certain carriers and services are better than others.

Private carriers (think UPS, DHL, FedEx, etc.) are known for having more reliable order tracking and support because each company maintains possession of the shipment throughout the entire delivery process.

On the other hand, government carriers (like USPS, Canada Post, Royal Mail, Canada Post, etc.) start with the federal carrier in the country of origin and end with another in the destination country.



Have the proper documentation

Shipments need to be cleared through customs of the country they are entering, which involves quite a bit of paperwork. You must include the proper details for each item (e.g., tariff codes, the monetary value, and product descriptions), so orders don't get held up. If packages do get held up at customs (which will make the transit time longer than expected), be sure to communicate with your customer.

Expand into other countries as needed

To offer the best customer experience, you may choose to fulfill orders domestically in more countries. This often requires a 3PL that has fulfillment services all over the world and ships to all countries. The most streamlined way to do this is working with one partner that's in different countries to centralize all orders, shipments, and inventory.



ShipBob has multiple fulfillment centers in the US, one in Canada, one in the EU, and one in the UK. All locations filter back into one centralized warehouse management system, so everything is under the ShipBob umbrella. By distributing our inventory across these countries and regions, all of our customers are able to get their orders much faster while paying reasonable domestic shipping rates.



Wes Brown,
Head of Operations
at [Black Claw, LLC](#)

“We had a distribution point in the UK in London, but anticipated that cross-border shipping issues would become more prevalent with Brexit pending, as we realized a good chunk of our customer base in the EU wouldn’t be able to as easily receive shipments from the UK, as it may be more expensive with longer shipping times. We reached out to ShipBob, as we became more concerned with Brexit and wanted a fulfillment center in the European Union. Beyond taking care of all of our mainland European and Ireland orders, we quickly became very impressed by ShipBob’s transparency, simplicity, and intuitive dashboard.



Harley Abrams
Operations Manager of
SuperSpeed Golf, LLC



SuperSpeed Golf™

Disregarding product-specific considerations

Overlooking requirements that apply to certain products is another common shipping mistake. Below we explain a few limitations to be aware of.

Dangerous goods or 'HAZMAT' products

Hazardous materials (or HAZMAT) are solids, liquids, or gases that can harm people, other living organisms, property, or the environment if improperly shipped, stored, or handled. HAZMAT products are broken into nine classes, ranging from the most extreme materials like explosives, gases, toxic materials, and radioactive materials, to more seemingly minor products like hair spray, hand sanitizer, perfumes, and nail polish that still pose a shipping and handling risk. Each of these classes has a specific subclass that also provides more details on the classification.

- When shipping HAZMAT, a product safety data sheet (SDS) is required by law to be provided to whoever is handling the dangerous materials. The SDS provides guidance to help workers who handle these products become familiar with the materials and also prevent mishandling them.
- Each carrier has specific rules about HAZMAT, so be sure to ask for their requirements before you start shipping.
- There are specific ways to mark your hazardous materials depending on their class, ID number, weight, and more. Be sure to follow the correct regulations when it comes to marking, labeling, and placarding. Even the orientation of your arrows can prevent a product from being shipped.
- Some carriers require additional paperwork in order to ship HAZMAT items depending on the material (e.g., the UN identification number, proper shipping name, hazard class, and packing group, as well as the quantity, number, and type of packages, emergency contact information, and shipper's certification). You must prepare all requested documents to ensure your shipment goes out and is not delayed or held up at customs.
- If you work with any other logistics partners, be sure to make them aware of which products are considered HAZMAT as it can impact their relationships with carriers. For example, ShipBob will not ship HAZMAT items internationally, expedited, or via air.

Fragile or easily damaged products

As we covered in Chapter 1, even when items have secure product packaging and are in a box full of dunnage, it's possible for fragile items to break while in transit. Adding a "fragile" label to the box isn't enough to prevent damage. Carriers toss packages into gaylords, onto trucks, and accidentally drop them, as there is a lot of movement while they are being transported.

If damages occur frequently, you may consider revisiting packaging at the manufacturing level to see if there are ways to optimize your product(s) and reduce breakage on the front end. For example, if you sell bags of coffee that spill out while in transit, be sure to have your bags heat sealed. Manufacturing and packaging changes that may cost an additional \$0.05 per unit often outweigh a bad reputation.

Media products

If you ship media in the US, USPS' Media Mail service has discounted rates and special eligibility requirements for permissible content like books (at least 8 pages), sound recordings and video recordings (CDs and DVDs), printed music, and more.

If you have mixed items in a shipment (Media Mail-eligible and non-Media Mail-eligible items), the order should not be shipped via Media Mail. There are repercussions for shipping non-media through Media Mail.

Similar products

When you offer a multi-SKU product catalog, you increase selection for your customers but also the risk of shipping the wrong product. Picking mistakes are common due to:

- Unsophisticated storage setup (i.e., you don't have a designated storage location for each product, and SKUs are mixed).
- Poor inventory management (e.g., you don't use an inventory management system).
- Lack of barcodes (you don't have the additional step of scanning the product each time it is received, picked, packed, etc. because no barcode is adhered to it, which prevents errors from being caught).

It's easy to choose the wrong item when fulfilling an order, especially if items look similar (e.g., choosing the wrong size of a shirt), so adding validations throughout the process helps increase order accuracy.



Subscription-based products

Subscription fulfillment refers to shipping product(s) to a customer on a regular, predetermined basis. These shipments can be the same each time, such as razor cartridge refills, or a different selection of curated products each time. If customers expect their deliveries at the same time each month or another recurring period (especially if they're waiting for a refill on a daily necessity), shipping your subscription orders on time is key to meeting customer expectations.

To do this, you need a system for managing subscription orders on-time as they are expected. Tools like Recharge and Bold Subscriptions can be added on top of ecommerce platforms, and 3PLs like ShipBob can help fulfill these orders.



Our business is almost all subscriptions, and ShipBob helps us offer reliable, affordable shipping that shows up at the same time each month. ShipBob's analytics tool helps us a lot with planning inventory reorders, seeing when SKUs are going to run out, and we can even set up email notifications so that we're alerted when a SKU has less than a certain quantity left. There is a lot of value in their technology.



Oded Harth,
CEO & Co-Founder
of MDacne

Neglecting supply chain planning

While this e-guide is about common shipping mistakes, there are some not-as-obvious situations throughout the supply chain that cause downstream shipping issues.

In light of recent times, we have witnessed logistics challenges such as a scarcity of raw materials and port congestion. Supply chain planning has never been so important.

Examples of unforeseeable events include:

- Many factories and warehouses in China closed down due to outbreaks from COVID-19, which disrupted the fulfillment and distribution process.
- Shipping carriers were stretched beyond capacity during the pandemic, which slowed down last-mile delivery.
- The Suez Canal became blocked, which held up inventory for the cargo on board the ship, as well as other ships that couldn't go their planned route.
- Major shipping ports face continuous congestion, causing major delays in receiving inventory.

While you can't plan for everything when it comes to logistics, there are some steps you can take to try and curb any delays and prevent downstream shipping issues.

Distribute your inventory across multiple locations

As we mentioned in Chapter 3, the primary benefit to splitting inventory across multiple fulfillment locations is to expand customer reach geographically while reducing shipping costs and speeding up transit times.

But if a warehouse had to close down for any reason or carriers are unable to pick up, the ability to fulfill items from a secondary distribution center (even it's further from the order's destination) can help to avoid long fulfillment delays for important items, so you can continue to meet customer expectations despite having one warehouse shut down.

For instance, ShipBob's locations cover every region of the US, as well as international fulfillment locations in Canada, Australia, the EU, the UK, and more. This allows you to continuously meet demand despite any disruptions, such as bad weather.

Partner with multiple suppliers or manufacturers

Partnering with multiple suppliers or manufacturers ensures that you are not left at risk or without replenishment when your primary supplier is unable to deliver during shortages, shutdowns, or trade restrictions.

Whether it's a planned shutdown like Chinese New Year or unplanned forces from the pandemic, manufacturers can hit peak capacity or face shutdowns at any time.

This can mean receiving and replenishing inventory may be significantly delayed, which disrupts the entire supply chain.

As part of your business contingency or continuity plan, partnering with different suppliers can help reduce risk of inventory shortage, despite the circumstances.

You can be sure to meet customer demand despite any delays in receiving more ecommerce inventory.

Understand planned closures

Depending on where you manufacture, you must understand local holidays and closures. For example, Chinese New Year shutdowns are expected every year for at least two weeks, and are usually followed by mass demand from businesses that need to make up for the two weeks worth of delayed products.

Many countries celebrate the Lunar New Year this way, and it can fall a couple weeks earlier or later than the prior year. Be sure to ask your manufacturer when and how long they will be closed and if there are any other potential known delays so you can plan ahead and add padding to your lead times.

Similarly, packages may be delivered late if a national holiday occurs — either in the country of origin or the destination country — while a package is in transit. If it is a federal holiday, shipping carriers will not be operating. Because of the day off, it is not uncommon for carriers to be further delayed from needing to play catch up due to a backlog of shipments.



Leverage different carriers

As seen during the COVID-19 pandemic and the rapid expansion of ecommerce, shipping carriers faced capacity issues, causing major shipping delays. ShipBob has even been tracking [carrier transit time trends](#) since the beginning of the pandemic, which has since shown major improvements.

You have more flexibility in shipping services when you partner with multiple carriers, though this lowers your volume with any one carrier if you contract bulk discounted rates.

However, 3PLs like ShipBob partner with major global carriers (UPS, USPS, FedEx, DHL, and more) and regional parcel carriers to help you optimize your shipping strategy without the need to manage multiple partners on your own. ShipBob also negotiates bulk shipping rates to pass the savings on to you.

Plan for severe weather events

If there is a weather issue or natural disaster (e.g., a hurricane, tornado, wildfire, or flood) that renders a delivery route unpassable, the package will likely be delayed.

This type of unpredictable delay that is beyond anyone's control, known as an "act of God," is usually regional and can also shut down fulfillment centers if the National Weather Service declares road conditions unsafe to drive, for example.

If you use multiple fulfillment centers, you may be able to ship any affected orders from a different location as long as it's outside the path that should be avoided. Safety is a top priority but so is customer service. Many carriers will have contingency plans in place and the shipment will arrive as soon as it can be resumed in the affected area.



ShipBob has been a great ally as they have fulfillment centers all over the US, facilitating a 2-3 day delivery time for any customer in the US. This is helpful especially when weather challenges happen; being able to have different locations to ship from allows for a more seamless supply chain.



Andrea Lisbona,
Founder & CEO
of [Touchland](#)

Spending your precious time fulfilling orders

To wrap up this guide, the last mistake (and by far one of the most common mistakes we see) is doing it all yourself and not spending time on activities that grow your business. While you need to find ways to save money, DIY-ing everything may seem like the best way to cut costs. However, when you look beyond the surface, there are hidden costs to self-fulfillment.

When you ship packages yourself, you're not just paying for shipping and postage. Self-fulfilling orders is one of the biggest hindrances to growth, as people spend a good amount of their time packing boxes instead of running marketing campaigns, working on product development, and other tasks that only they can do.

As orders come in, many founders are inclined to stop what they're doing to fulfill them, breaking their focus and flow away from growth-minded projects.

Not only that, but keeping up with fulfillment prevents founders from taking a day off, let alone going on vacation, and they often call in help from friends and family.

There is even a physical toll to self-fulfillment, from having a house full of inventory, to back pain and papercuts achieved from bending over and moving boxes as well as dealing with tape, envelopes, boxes, and other packaging materials.

Once a business grows to a certain point, they have the choice to either partner with a fulfillment company or build out the infrastructure themselves. Many turn to working with a 3PL if they don't want to purchase land, lease a warehouse, and risk potentially never growing into it or quickly outgrowing it.

I've talked to people who think they save money by fulfilling themselves. Their first question is always 'is a 3PL worth the extra expense?' We see outsourcing fulfillment as a cost-savings and believe it will save you money in the long run.



Gerard Ecker,
CEO & Founder
Ocean & Co.

Outside of real estate, many brands don't want to invest in the following:

- Packing tape, bubble wrap, dunnage, packing peanuts, boxes, poly mailers, envelopes, shipping labels, printers, ink, and mail bins
- Gas (transportation driving to and from the post office or UPS Store) or working with carriers, negotiating rates, and having them pick up from your warehouse
- Investing in technology, including a warehouse management system, scanners, and wearable devices to manage an in-house operations team
- Complying with regulations and obtaining the proper licenses to do business in a new facility, and having the proper certifications to ride a forklift and other equipment
- Recruiting and hiring staff labor for both hourly employees and management, determining employee benefits, getting workers' comp and liability insurance, and dealing with payroll in an accurate and timely fashion

- Taxes, utilities, office supplies, internet, and other administrative expenses
- Logistics and safety trainings and certifications for staff
- Shelving units, pallet racks, forklifts, conveyors, and other expensive equipment for the warehouse

For those who attempt investing in a warehouse, many discover new pains associated with complex logistics operations and face the cost of inefficiencies (e.g., mistakes, manual processes, lack of automation and robotics, bulk discounts, infrastructure, and scalability), making 3PLs all the more appealing.

Those who build out their own warehouse are also limited to shipping from just one location, unlike if they worked with a 3PL whose model allows for distributed inventory, where they store product in multiple fulfillment centers with the ability to scale up or down without being tied down to a lease.

SHIPTIP

Bonus mistake: Staying with a bad 3PL partner for too long

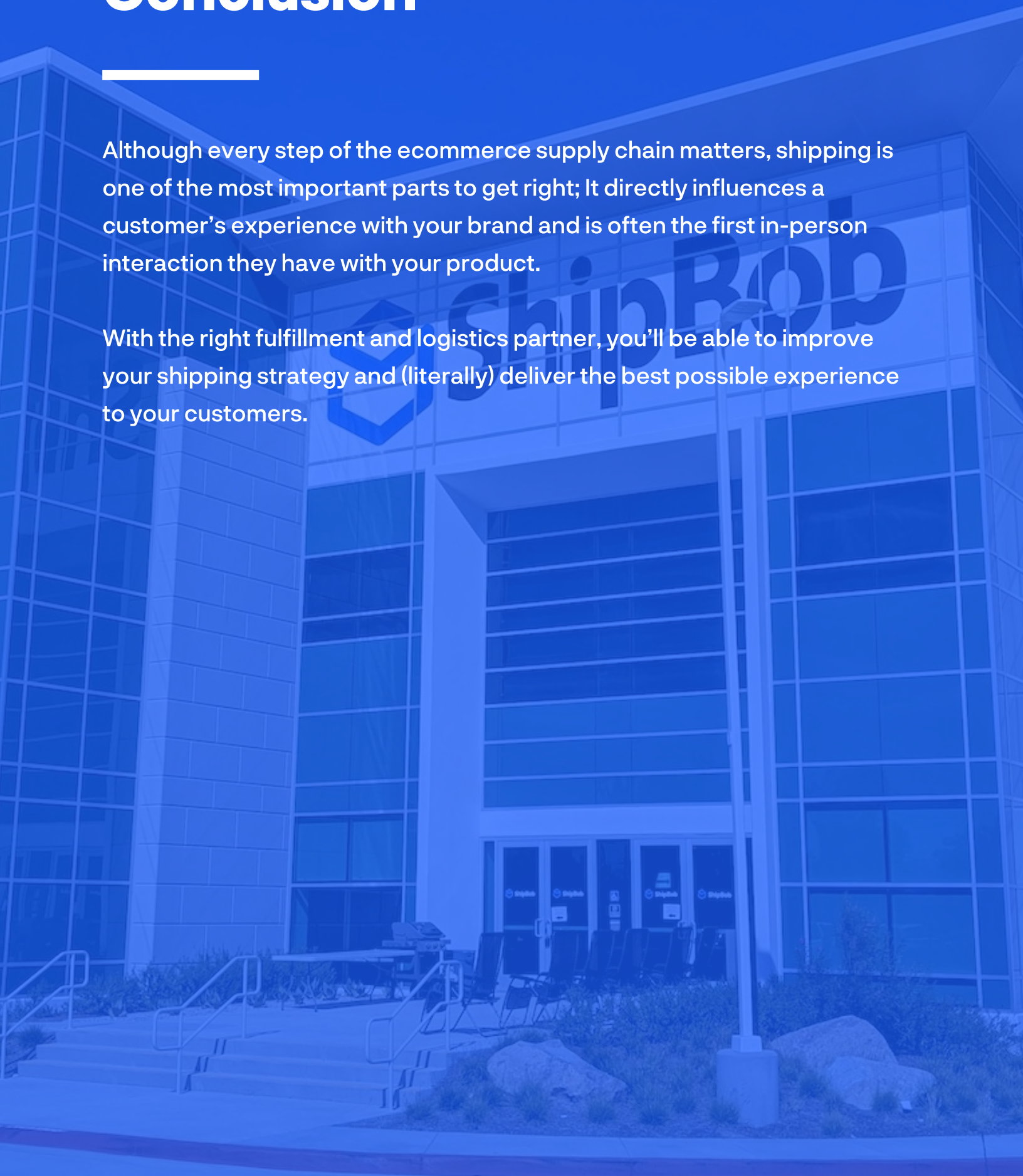
Not all 3PLs are created equal. While it may never seem like the right time to change fulfillment providers, taking a critical look at both your current 3PL and overarching fulfillment strategy is vital to setting your business up for future success.

[Download our free guide](#) to learn how to reduce risk and ensure a graceful 3PL transition.

Conclusion

Although every step of the ecommerce supply chain matters, shipping is one of the most important parts to get right; It directly influences a customer's experience with your brand and is often the first in-person interaction they have with your product.

With the right fulfillment and logistics partner, you'll be able to improve your shipping strategy and (literally) deliver the best possible experience to your customers.






About ShipBob

ShipBob is a tech-enabled 3PL that offers simple, fast, and affordable fulfillment for ecommerce businesses. With a network of fulfillment centers across the globe (with new locations continuously underway), ShipBob lets you split inventory across locations to reduce shipping costs and transit times.

Visit ShipBob.com to learn more or to [request a pricing quote](#).

A woman with long dark hair is wearing a white and black 100 Thieves hoodie and a green 100 Thieves baseball cap. She is looking directly at the camera with a slight smile.

“

As we saw our small startup business beginning to gain traction, we needed to find a 3PL that could help us manage the thousands of orders we would get in minutes. When I was researching companies, I knew they had to be tech-enabled, integrate with Shopify, and a company that could scale with us. We found exactly that with ShipBob.



Jason Ton,
CFO of [100 Thieves](#)

