



HOW TO PREP FOR **PEAK SEASON SHIPPING**









THE ULTIMATE E-COMMERCE FULFILLMENT CHECKLIST



HOW TO PREP FOR
PEAK SEASON SHIPPING
THE ULTIMATE E-COMMERCE FULFILLMENT CHECKLIST



Contents

	How To Prep For Peak Season	03
	Step 1 Review Data From Peak Seasons Past	04
	Step 2 Define Your Goals And Set Your Budget	05
	Step 3 Make Sure You're Well-Stocked And Ready To Handle A Spike In Demand	06
	Step 4 Understand Your Carrier Mix's Strengths And Weaknesses	08
	Step 5 'Tis The Season To Show Your Customers Some Extra Love	11
	Step 6 Get Ahead Of Returns	13
	Wrap Up Your Peak Season Up With A Bow	14



✓ How To Prep For Peak Season Shipping

Summer is winding down, which means it's almost *that* time of year again! But where many savor the burgeoning chill in the air, the smell of fir trees and peppermint, and the crackling sound of a yule log in the fireplace, those of us in the wonderful world of e-commerce can sometimes have a slightly different reaction to the coming of the holiday season.

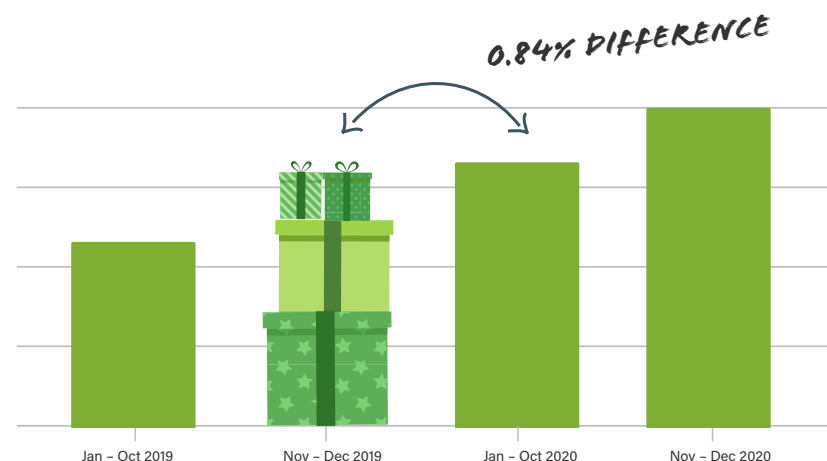
Panic!

That might be a slight exaggeration, but it's no secret the holiday season is reliably the busiest of them all — **which is why we're here to help you get ahead of the peak holiday season rush.**

Of course, we all know this past year has been unlike any we've experienced before. The shutdowns and stay-at-home orders of 2020 impacted the usual end-of-year rush earlier and more aggressively, highlighting the urgency and importance of having a strong shipping and fulfillment plan. While the situation doesn't feel quite as dire this year after the introduction of vaccines, the rise of the delta variant and delays in the supply chain are still creating serious challenges that are sure to impact the entire e-commerce industry during peak. **Retailers today should be prepared to address not only the spike in demand, but also the logistical challenges that can materialize because of it.**

PRE-HOLIDAY VS. HOLIDAY VOLUMES 2019-2020

Average Weekly Volume



By ticking all the boxes on this handy peak season shipping checklist, you'll be well-equipped and on your way to surviving, thriving, and delighting your customers at every step, from goal setting and planning to carrier strategy and the inevitable returns rush.

Get Ahead And Stay Ahead Of The Peak Season Rush!

✓ Step 1:

Review Data From Peak Seasons Past

The best way to prep for future success is to look back at where you've been. You need to understand what went well for your business as well as what you should improve in order to make the best decisions about which strategies and processes to implement this upcoming season.

We recommend reviewing the following metrics:



Shipping Costs:

What was your overall cost of shipping during peak? How did shipping costs fluctuate over the months and weeks through the end of the year? Which carriers and service-levels were the most cost effective across peak season orders? Did that change according to factors such as package size or destination?



Customer Support:

How many WISMO ("Where Is My Order") calls or emails did you receive? How quickly were you able to solve incoming order inquiries? How satisfied were customers with your responses and solutions?



Inventory Management Data:

How accurately did you forecast demand? Were you able to quickly fulfill orders by efficiently managing inventory? How did seasonal promotions impact sales and fulfillment? What were your most popular SKUs?



Returns:

What was your post-peak return volume? How much did your customers pay for return shipping? How did your customers respond to your e-commerce returns experience?



Order Volume:

How many orders did you fulfill this time last year? How much did order volume fluctuate through the end of the year? Which months, days, and times of last year's peak saw the biggest spikes and lulls?



Carrier Transit Time:

On average, how long did it take a peak season order to get from your fulfillment location to your customer?

✔ Step 2:

Define Your Goals And Set Your Budget

Now that you've reviewed and analyzed your historical data, you can make informed decisions around how to meet your seasonal and end-of-year goals. Of course, you first must define what those goals are, depending on your specific business needs, ideal customers, revenue targets, and other factors. We recommend setting "SMART" goals, or goals that are specific, measurable, attainable, realistic, and time-bound.

Once you've decided on your objectives, you'll need to set a budget that enables you to meet those goals without going overboard. Review your previous season's spend compared to year-over-year revenue goals to project what's reasonable on both the high and low ends.

It's also important to consider that many carriers and other third parties involved in fulfillment processes often raise rates or charge extra fees during this busiest of seasons — do your due diligence as the season approaches to get a solid understanding of how these costs might impact your expected spend and revenue.

"SMART" GOAL SETTING





✔ Step 3:

Make Sure You're Well-Stocked And Ready To Handle A Spike In Demand

As an e-commerce merchant, being well-prepared to meet the peak season spike at the outset gives you the opportunity to deliver more product to more customers with more speed, driving better end-to-end fulfillment experiences and — ultimately — more loyalty.

Here are a few key considerations:

If you fulfill in-house, it's crucial to consider that once volume reaches and then surpasses a certain point, it's easy to get overwhelmed by the fulfillment process. Get ahead by identifying where operations tend to get stuck before peak hits, and implementing process automations to improve workflows and bridge those gaps. One potential solution can be found in shipping automation rules that auto-apply carrier and service-level preferences as defaults or "if-then" rules, [helping you print labels and get packages out the door 50% faster](#). We also recommend stocking up on packaging and supplies now to avoid facing scarcity and delays as order volume upticks impact the entire e-commerce industry.

If you fulfill through a 3PL (third-party logistics provider), plan your inventory needs early according to expected demand — peak is busy for everyone, and [there may be supply chain issues](#) that impact how quickly you can restock and get orders out the door. If you're shipping nationwide, it might also be worth exploring how multiple fulfillment centers can help manage distribution. It's also crucial to keep tabs on key fulfillment data points — such as shipping costs and transit times — to ensure you're both delivering an exceptional customer experience and keeping operations within the bounds of your budget.

Ultimately, your goal is to get increasing order volumes out the door as quickly as possible. An integrated end-to-end fulfillment tech stack, solid infrastructure plan, and operational efficiencies will help get and keep you there all season long, no matter your fulfillment location(s).





✔ Step 4:

Understand Your Carrier Mix's Strengths And Weaknesses

No matter the time of year, shipping should never be viewed as a 'set it and forget it' function of your e-commerce fulfillment operations. Market fluctuations, service disruptions, and an increasingly fragmented ecosystem mean carrier opportunities and challenges will vary constantly. This is especially true during peak season, so pay extra attention to pricing changes, delays, shipping cut-off dates, and other factors that could impact your fulfillment process.

Educate yourself ahead of crunch time so you can identify which carriers are best equipped to help you meet your goals. If you're shipping internationally vs exclusively domestically, for instance, you'll want to explore a range of global carrier options to identify the best fit for your and your customers' needs. Regional carriers may deliver faster at a lower cost to certain destinations, while popular national carriers may make more sense when shipping a certain weight to zones further away.

Diversifying your carrier mix according to your specific goals and customers can help you meet a variety of preferences while maximizing the bang for every peak fulfillment budget buck.

Stay informed of changes and disruptions, and maintain an agile mindset so you can reassess options when necessary.

We recommend keeping tabs on the following:

✓ **Price increases:** Most carriers increase their rates ahead of the busy holiday season. This may be a one-time change at the beginning of the season, or several changes rolled out over weeks or months.

✓ **Delivery timelines:** As demand and deliveries increase, resources get stretched thin. Carriers usually offer guidance around updated pick-up and delivery timelines as well as cut-off dates — you need to be aware of these timelines to make sure orders get out the door in time, and so you can communicate them to your own customers. We recommend getting ahead of customer stress or confusion by making sure these “Purchase By” deadlines are clear and prominent throughout your website, marketing emails, and other channels.

✓ **Service disruptions:** As we’ve all had hammered into our heads over the past year and a half, it’s crucial to not only expect but anticipate the unexpected. Disruptions can occur for any carrier, for any number of reasons, and the only way to get your holiday shipments around these challenges is to make sure you’re aware of and prepared for them.





“ **Best-in-class shipping solutions enable e-commerce merchants to compare rates across a vast network of carriers in real time** ”

Harness the right tools and technology to efficiently make the best decisions for your business. Comparing carrier rates across service-levels will help you determine which options are the best for your needs at any given time, but you need the right technology in place to do so in a way that's both time and cost-effective.

Best-in-class shipping solutions such as Shippo enable e-commerce merchants to compare rates across a vast network of carriers in real time, and integrate with e-commerce platforms and logistics providers to sync order and inventory data for seamless end-to-end fulfillment.

Features such as batch label printing, partial fulfillment, and automations — which apply predetermined rules to label purchases according to factors such as package weight, destination, or SKU — can cut the time it takes to ship in half.

That time saved will come in extra handy as you scale your fulfillment operations during the busy holiday season.

✔ Step 5:

'Tis The Season To Show Your Customers Some Extra Love

Delighting customers is a top priority all year round, but the holidays offer an excellent opportunity to stand out from the rest of the retail crowd.

One way to make a memorable impression is with a festive unboxing experience, adding creative brand elements to your packaging or personalizing each order with a handwritten 'Thank You' note. But you don't have to wait until the package arrives — in fact, there are multiple touchpoints along the fulfillment journey where you can work to grow customer love and trust:

✔ **Offer multiple shipping options:** No two customers are alike, and that means you should be equipped to meet a variety of consumer preferences and needs. Some people prefer free, while others prefer fast — by offering multiple options at checkout that meet a variety of preferences, you open the door for more customers to choose the shipping cost and time that work best for them.

✔ **Set shipping and delivery expectations upfront:** Include clear language about what your shipping process looks like and which options are available — and make sure the messaging is front and center. For example, while not all merchants can offer free and fast shipping, as long as you're clear about the stipulations (that free shipping comes with a few extra days tacked on, or is only available after a certain price point), it's still very much a selling point.

✔ **Shipping insurance:** Offering the chance to insure a package, especially for those containing higher-value orders, will give your customers much-needed peace of mind at check-out and throughout the delivery process.

✔ **Order tracking and updates:** Today's consumers want to know when their packages get picked up, are en route, and land on their doorsteps. Communicate with them at every stage to avoid confusion, frustration, or worse. You'll keep them at ease by not only providing access to tracking information, but offering proactive updates through email, SMS, or other popular communication channels.





“

**Today's customers want A) choice
and B) clear communication**

”

When all is said and done, the best way to gauge your customer experience throughout the full journey is simple — just ask! You can gather feedback via CSAT surveys, review sites, social media, or even just a simple email requesting a response about how you did. However you decide to gather and analyze the data, this practice not only helps you make informed decisions about how to improve your offerings next holiday season, it also provides more immediate fulfillment strategy insights for the new year.

Depending on your approach, your e-commerce experience over the holidays can make or break a consumer's relationship with your brand. Essentially, today's customers want **A) choice** and **B) clear communication** — hit both targets by allowing them to decide which fulfillment options are best for their individual needs, and keeping them in the loop every step of the way to inspire confidence in your brand.

✓ Step 6:

Get Ahead Of Returns

We all know after the holiday e-commerce purchasing rush comes an influx of holiday returns. [Returns increased by 70% last year compared to 2019](#), and we can only expect that trend to continue as we move toward the end of 2021.

[Last year's State of Shipping survey](#) found that 41% of consumers believe free return shipping is important, and almost one-third say the ease of processing a return is important to them. As e-commerce booms, hassle-free returns and exchanges are now table stakes. A complicated, restrictive, or expensive returns experience can instantly influence a consumer's brand perception, so it's crucial to simplify the process as much as possible, and communicate openly and often.

You can keep customers at ease from the get-go by providing a clear policy up-front, calling out any seasonally-specific restrictions or special instructions for gift returns and exchanges. You can also generate scan-based return labels to include with packages in case they're needed, providing your customers a more seamless, simple experience.

Whichever strategy you decide to implement, take time to at least think about how returns and exchanges play into your overall customer journey — and how you'd ultimately like them to — especially during the busy gift-giving season.

+70%

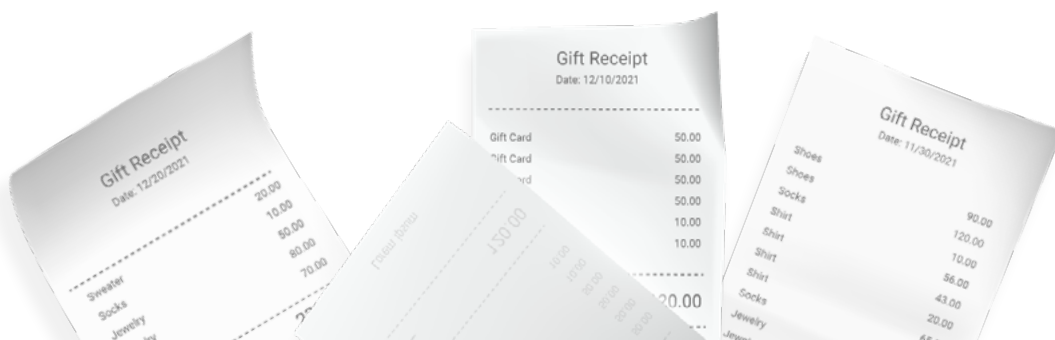
increase in returns last year compared to 2019

41%

of consumers believe free return shipping is important

1/3

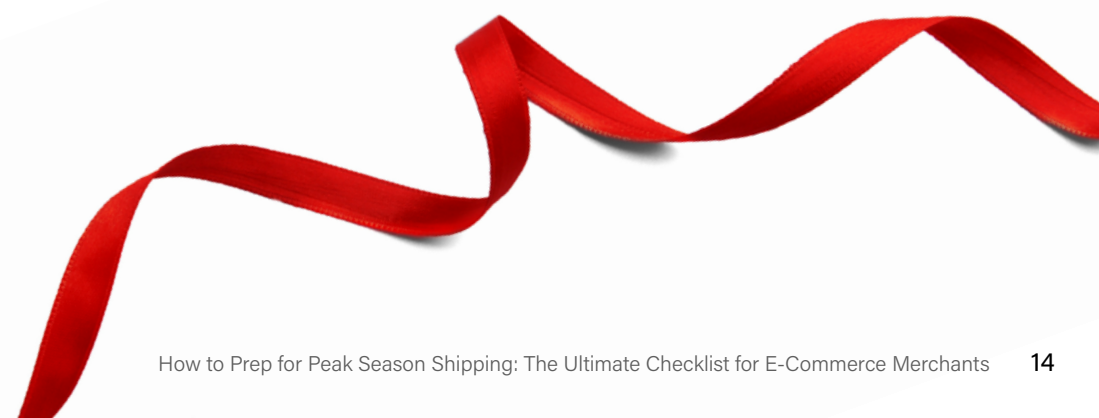
of consumers say the ease of processing a return is important to them





Wrap up your peak season up with a bow

Preparing your e-commerce business for the upcoming seasonal rush doesn't have to be a stressful experience. By checking off these six boxes — each tailored to your specific fulfillment needs — you'll be well on your way to streamlined processes, increased seasonal revenue, and (most important of all!) happy customers who can't wait to come back for more.





Learn more about Shippo

Founded in 2013, Shippo provides a leading shipping platform designed for growing e-commerce businesses, and connects seamlessly to e-commerce platforms, marketplaces, and warehouses. The company helps more than 100,000 businesses get real-time shipping rates, print labels, automate international paperwork, track packages, facilitate returns, and more. Shippo's multi-carrier platform provides access to 85+ carriers and helps businesses navigate the complexities of shipping so that they can achieve their highest potential.

Learn more about Shippo and sign up for your free account [here](#).



OR SCAN HERE TO GET STARTED TODAY



www.goshippo.com | sales@goshippo.com

