shipping easy

The Definitive Guide to eCommerce Shipping

How to set up shipping operations for success

Outline

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Introduction

Are you thinking about opening an online store? Growing the one you have? Or simply improving your operations and providing better customer service? In any case, shipping is fundamental to your customer experience—and therefore your success.

Wherever you are in your eCommerce journey, this guide will help you understand virtually every aspect of shipping's central role:

| The importance of shipping to your customer experience

| The shipping ecosystem and popular workflow/process options

| Shipping service providers and technologies

| Selection criteria and vendor evaluation

Why Do I Care About Shipping?

Shipping makes everything else you do tangible to your customers. You can provide the greatest shopping experience, the best prices, and outstanding customer service, but it's your shipping process that ultimately allows your customers to touch your products. Any steps you take to make shipping more reliable and efficient directly impact this critical physical connection between your customers and your products - and therefore you!

Shipping costs and options matter to your customers. Online shoppers care deeply about shipping costs and delivery options. It is their No. 1 pet peeve and the reason named more than any other for cart abandonment. Shipping can be the difference between sucess and failure for eCommerce retailers. It matters.

Shipping Cost Matters
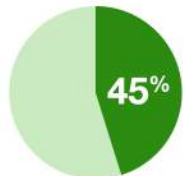
45% 45% of shoppers **abandoned a cart** when the order value didn't qualify for free shipping
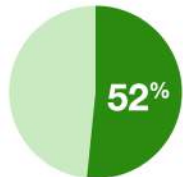
52% 52% of consumers have **added items to their cart** with the intention of keeping them to qualify for free shipping
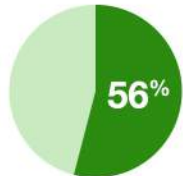
56% 56% of shoppers decided to **pay for shipping** when the total cost of their order was still a good bargain with shipping charges included

source: UPS Pulse of the Online Shopper™ 2015; Empowered shoppers propel retail change

Digital Shopping Pet Peeves According to US Internet Users, by Demographic, June 2014
% of respondents in each group

Gender	Age		
1 Male	3 Millenials (18-36)	5 Baby boomers (49-67)	7 Total
2 Female	4 Gen X (37-48)	6 Matures (68+)	

	1	2	3	4	5	6	7
Shipping cost	60%	71%	60%	68%	69%	66%	66%
Getting something that looks nothing like it did online	34%	41%	42%	37%	38%	28%	38%
Getting put onto a retailer's mailing list after making a purchase	23%	9%	10%	14%	17%	27%	16%
Having to buy two sizes of an item because I'm not sure which will fit me	11%	19%	21%	14%	13%	9%	15%
It can take a long time for a return/ exchange to process	14%	14%	16%	18%	10%	12%	14%
Takes business away from local retailers	10%	10%	7%	11%	11%	15%	10%
I miss the instant gratification of buying something in-store	11%	9%	9%	9%	11%	10%	10%
Having a transaction iterrupted when losing a signal	11%	8%	13%	10%	7%	10%	10%
Other	5%	4%	5%	3%	4%	5%	4%

Note: among respondents who have at least one digital shopping pet peeve
Source: Harris interactive, "The Harris Poll" as cited in press realease, July 15, 2014
www.**e**Marketer.com

Why Do I Care About Shipping?

Optimizing your shipping solution creates significant value for both you and your customers.
A good shipping solution can:

Merchant Benefits

INTEGRATE:
with everywhere you sell

MANAGE YOUR ORDERS:
sort, filter, split, combine, batch and dropship

LOWER SHIPPING RATES:
savings you can share with your customers

IMPROVE CARRIER SELECTION:
help you select the least expensive carrier for a given shipping service
level—again providing savings you can share with your customers

AUTOMATE:
many aspects of the shipping process—creating more savings you
can share, and reducing your order processing time

IMPROVE ACCURACY:
of order contents and customer information - reducing customer-
frustrating incidents such as incorrect addresses, incorrect products,
and incomplete orders

BETTER TRACKING:
allowing your customers to know exactly where their orders are
and when they should arrive (and allowing you to troubleshoot if
something goes wrong)

Common Features

ORDER MANAGEMENT

REPORTING & ANALYTICS

RULES & AUTOMATION

TRACKING & RETURNS

Shipping Solution

RATE DISCOUNT & COMPARISON

CUSTOMER & STORE COMMUNICATION

MULTI-CARRIER MULTI-CHANNEL

ACCURATE DETAILS

PRINT LABELS, PICKLIST, AND PACKING SLIPS

3

What Capabilities Do I Need to Consider?

In order to consider the ideal set up and processes for your shipping environment, let's understand the three main components of the shipping ecosystem and how they interrelate.
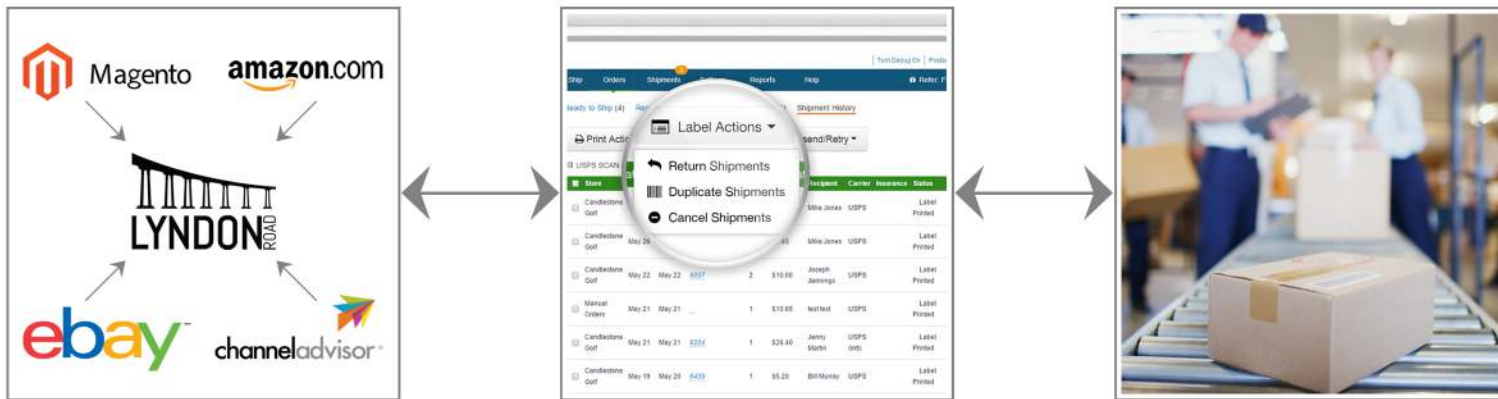
🛒 Selling Environment

Your selling platform is your primary online interface with your customer. It's important to the shipping ecosystem because it's where you'll present shipping-related options, including:

- Carrier and delivery speed
- Shipping costs
- Shipping offers
- Shipping flexibility (e.g., multiple addresses)
- Shipping instruction fields

It's also the source from which your shipping platform will retrieve and download customer and order information.

🖥 Shipping Environment

Your shipping platform is where you'll manage most aspects of order fulfillment and returns. It's the connection point between:

- The selling platform
- The physical environment
- Other business systems (e.g., accounting and inventory)

It allows you to:

- Manipulate order data from the selling platform
- Split, combine and hold orders
- Generate pick and pack documents and sequences
- Route orders to preferred fulfillment process and shipping selections
- Efficiently route orders to the physical environment
- Update other systems as needed

📦 Physical Environment

In the physical environment, data from the shipping platform is acted upon to:

- Print pick lists, packing slips and shipping labels
- Pick
- Pack
- Weigh
- Affix label
- Route orders to appropriate carriers to be shipped

What Capabilities Do I Need to Consider?

Whatever you're selling, regardless of the size of your business, shipping-related capabilities often have implications for more than one environment. The following table gives you an idea of some of the key capabilities related to shipping and how they are relevant to the environments in the shipping ecosystem:

	CAPABILITY	RELEVANCE		
		SELLING ENVIRONMENT	SHIPPING ENVIRONMENT	PHYSICAL ENVIRONMENT
CUSTOMER FACING	Single vs. multiple stores	✓	✓	✓
	International shipping	✓	✓	✓
	Delivery service level options	✓	✓	✓
	Shipping pricing options	✓	✓	✓
	Delivery flexibility	✓	✓	✓
	Returns	✓	✓	✓
INTERNAL	Backoffice	✓	✓	✓
	Data integration	✓	✓	✓
	Carrier selection	NA	✓	✓
	Fulfillment location	✓	✓	✓
	Generate pick list, packing slip, and shipping label	✓	✓	✓
	Picking process	NA	NA	✓
	Packing process	NA	NA	✓
	Analytics and reporting	✓	✓	NA

We'll now go through each capability and provide more detail on its relevance to each environment.

Single vs Multiple Stores

For many online sellers, distributing products across multiple stores/marketplaces is a good way to broaden reach and increase sales.

- **Multiple Stores:** If you sell on multiple sites, having a shipping solution is an invaluable way to consolidate orders from all sources, simplify their management, and increase the efficiency (and ROI) of your fulfillment processes. Working from multiple back ends is tedious, complicates training of your shipping staff, and requires your shipping process to support the quirks of the various selling platforms—making it more difficult to optimize.

- **Single Store:** Even with a single store, a shipping solution will allow a direct integration with your store—and, more importantly, your orders. This direct integration will eliminate the copying and pasting of addresses and order details while enabling real-time updates of tracking information back to your store along with status updates related to each order's status (e.g., "shipped" vs. "awaiting fulfilment").

Capabilities to Consider

Selling Environment

There may be multiple platforms, but typically they are not integrated with one another.

Shipping Environment

- Integrate with each of the selling platforms.

- Allow aggregation of order data from each platform into a single view, where it can be managed and manipulated.

Physical Environment

- May fulfill different selling platform orders from different fulfillment locations.

- May need to print a different pick list, packing slip, and/or shipping label for different stores (e.g., a store-specific logo on the packing slip or a store-specific gift with purchase is included in the package).

International Shipping

International Shipping: If you have products that are in demand outside the country in which you operate, offering international shipping obviously benefits your customers in those countries—as well as your sales volume. There are many variables to consider, but if the demand exists and you can cover (or charge the customer for) the incremental shipping, handling, and governmental costs, selling internationally can be straightforward to enable with a robust shipping platform.

Capabilities to Consider

Selling Environment

Support for international selling and shipping options:
- Multi-currency checkout
- International addresses
- International payment gateway
- Location-based duties and taxes
- Multi-language capabilities

Shipping Environment

Support for generating documentation required to move goods from one country to another:
- International shipping labels
- Customs forms
- Electronic trade forms

Support for auto-populating critical but repetitive details, including:
- Harmonized code
- Country of manufacture
- Content type (commercial, merchandise, gift, etc.)
- Signature

Support for the electronic filing or printing of all required documents.

Physical Environment

Ability to print and accurately affix all international documentation to packages and route to the appropriate international carrier.

Why sell internationally?

95% of the world's population lives outside the United States

Delivery Service Level Options:

While most customers are willing to wait five or more days for an order to arrive*, the availability of expedited delivery is fast becoming table stakes for eCommerce sellers. In order to decide how many service levels to offer, you have to balance what your specific customers want versus the complexity and cost of offering multiple options. Notice that the decision to offer multiple service levels is separate from how you should structure the associated fees and thresholds; those topics are covered in the next section, "Shipping Pricing Options".

Delivery service level options typically include:
- **Standard/default:** the least expensive and slowest option, often defaulting to USPS or the ground option on a private carrier
- **Expedited:** typically a trackable 2-3 day service like USPS Priority Mail or UPS Second Day Air, offered at an incremental shipping cost—or free as part of a subscription service (e.g., Amazon Prime) or as a promotional incentive
- **Overnight:** trackable next-day delivery with the highest incremental shipping charge

Capabilities to Consider

Selling Environment

- Showcase various service levels and their respective pricing.
- Determine whether or not to disclose the carrier for each service level.
- Allow the customer to select the service level he/she desires.
- Provide clarity on overall order shipping cost as early in the process as possible

Shipping Environment

- Select the best carrier based on the customer's requested service level and package weight, dimensions, and destination:
  - Manual selection: provide information and let shipper decide
  - Semi-automatic selection: make a rules-based recommendation of best carrier, but shipper must confirm or change
  - Automatic selection: create shipping label based on rules

Physical Environment

- Route label to carrier-specific printer, if applicable.
- Route package to the selected carrier.

Days willing to wait for purchases from U.S. based retailers

	1 day	2 days	3 days	4 days	5 days	6 days	7 days	8-10 days	11+ days
Paying for Shipping	2%	9%	16%	7%	28%	2%	21%	9%	6%
Free Shipping	1%	4%	6%	4%	21%	3%	29%	20%	12%

■ Paying for Shipping ■ Free Shipping *UPS Pulse of the Online Shopper™ 2015; Empowered shoppers propel retail change

Shipping Pricing Options:

Of course customers want free shipping; in fact, 85 percent of them are willing to accept a five-day delivery timeframe to get it* . Your decision as to how to price your shipping options should be based on a combination of what your particular customers want and what your business model can support. Here are the typical pricing options and key points to consider for each; notice that if you offer multiple service levels (see previous section), your pricing model will need to reflect these options.

CAPABILITY	RELEVANCE		
	SELLING ENVIRONMENT	SHIPPING ENVIRONMENT	PHYSICAL ENVIRONMENT
Free/Flat Rate—no threshold: The same rate (which can be $0) is applied to all orders regardless of value or other parameters.	• Promote the offering throughout the buying process • Present offering details • Include offering details in the order summary page • Flag excluded items/conditions/ locations	• Select most cost-effective carrier for given package weight (and dimensions, if relevant). • Browse and compare rates in order to select the lowest rate with ease and maximize margins.	Route package to best carrier, comprehending service level, if appropriate (see "Delivery Service Level Options" section).
Order Total Threshold-based: Different flat rates are applied to different total order value ranges (e.g., $5 shipping on orders up to $75, $0 shipping on orders totaling more than $75).	• Promote the offering throughout the buying process • Encourage customer to add items to cart by presenting the gap between his/her current order value and the value needed to reach the shipping threshold • Present details, compute correct shipping cost based on order total, include in order summary page, flag excluded items/conditions/ locations	• Select most cost-effective carrier for given package weight (and dimensions, if relevant). • Browse and compare rates in order to select the lowest rate with ease and maximize margins.	Route package to best carrier, comprehending service level, if appropriate (see "Delivery Service Level Options" section).
Actual Cost: The customer pays what it actually costs to ship, sometimes with a handling surcharge.	• Accept customer zip code • Present details, compute correct shipping cost based on item weight/ dimensions and packing rules, and include in order summary page	• Select most cost-effective carrier for the given package weight (and dimensions, if relevant). • Flag discrepancies if cost computed by the shipping platform differs from cost computed by the selling platform.	Route package to best carrier, comprehending service level if appropriate (see "Delivery Service Level Options" section).

*source: UPS Pulse of the Online Shopper™ 2015; Empowered shoppers propel retail change

Delivery Flexibility:

Customers increasingly look for the ability to have orders split between addresses, to have items with different fulfilment times consolidated into a single delivery, to ship to locations other than their home address, and to change delivery dates or have packages rerouted once shipped.

Capabilities to Consider

Selling Environment

Allow customer to indicate:
- Ship certain items to certain addresses
- Ship to an address other than their home address
- Specify signature not required
- Consolidate orders and items into as few packages as possible to save on shipping
- Specify alternate delivery location if not home
- Change delivery dates with carrier after package is in transit
- Have package delivered to a different location after order is in transit

Shipping Environment

Download customer shipping and delivery data/notes; update changes in real time, including:
- Shipping address(es)
- Shipping paid
- Shipping requested service
- Delivery preferences
- Order notes

Leverage and apply shipping and delivery data to:
- Determine and apply preconfigured shipping rules
- Select the optimal carrier for the actual packages that need to be shipped
- Generate related pick list and packing slip(s)

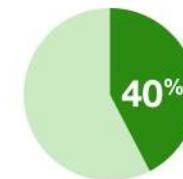### Physical Environment

Route the package to the best carrier.

1 in 3 prefer to have packages delivered to places other than home

40%

40% prefer having multiple items consolidated for delivery on one day

source: *UPS Pulse of the Online Shopper™ 2015;*
Empowered shoppers propel retail change

Returns:

With more than 60 percent of online shoppers making at least one online exchange or return each year,* returns are part of selling online. Unlike the physical returns process, where the shopper returns to the store and initiates the return or exchange, shipping is central to the online returns process. As with the popularity of free shipping on the front end, the majority of shoppers like free returns--or at least easy returns.

Return capabilities you'll want to consider:
- Degree of customer self-service: Your selling platform probably allows customers to initiate the return process; you need to decide the level of involvement in the process you prefer in the context of what your selling platform allows. You may, for example, want to manually approve every return and manually issue a Return Merchandise Authorization (RMA) before the customer can send the product back; or, you may allow automatic approval/RMA issuance.
- Pay on use labels/scan based returns vs. post shipping: Your shipping platform will most likely offer you a variety of options for return labels. All major carriers offer the option to print return labels for inclusion in your outbound shipment. These are not charged to your account (UPS, FedEx) or account balance (USPS) until or unless your customer uses the label and it is scanned by the carrier. Hence the name "Pay on Use". Alternatively, you can generate a shipping label on request from your customer post-shipping and email it to them.

60%
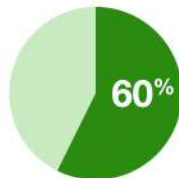
60% of online shoppers make at least 1 online exchange or return each year

57%
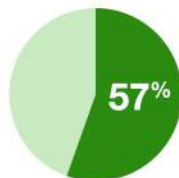
57% of shoppers consider having to pay for return shipping as an issue when making returns

Capabilities to Consider

Selling Environment
- Enable the customer to initiate the return process.
- Issue an RMA.
- Deliver a return label for print (not common).
- Track and report on returns and exchanges.

Shipping Environment
- Generate a return label and RMA on demand.
- Provide a "pay on use" return label for selected orders to include in the outbound shipment (enables the customer to use a pre-printed label with the return address).
- You have the option to decide whether you or your customer will pay for a return label.

Physical Environment

Process the return and update necessary systems.

source: *UPS Pulse of the Online Shopper™ 2015; Empowered shoppers propel retail change*

Practical Ecommerce; http://www.practicalecommerce.com/articles/62302-4-Tips-for-Better-Ecommerce-Returns-and-Exchanges

Data Integration:

To provide maximum value, a shipping solution must be able to integrate with the selling platform, with peripherals in the physical environment, and with other relevant software solutions (e.g., accounting and inventory management) so that order and shipping data can flow seamlessly between systems automatically.

Capabilities to Consider

Selling Environment

- An open API to download order and customer data to the shipping system.
- Receive updates back from the shipping system (order status and tracking numbers at a minimum).
- If products lend themselves to calculated shipping costs, accommodate product weight/ dimension data to facilitate this.
- Support capture of customer data/preferences to support desired options downstream, e.g., multiple recipients for a single order, splitting and combining of orders, tiered delivery service levels, etc.

Shipping Environment

- Receive order and customer data from Selling System, which will then be managed and processed to ship via the optimal carrier/method.
- Integrate with robust address validation software.
- Integrate with multiple carrier services to offer:
  | maximum delivery and rate flexibility
  | live rate quoting
  | tracking numbers back to store platform
  | real-time label generation and purchase
  | optional "pay on use"
  | delivery updates
- Update inventory management, accounting, and other systems with appropriate information as orders ship.

Physical Environment

Directly integrate peripherals with Shipping System, for example:
- Scanner(s)
- Scale(s)
- Printer(s)
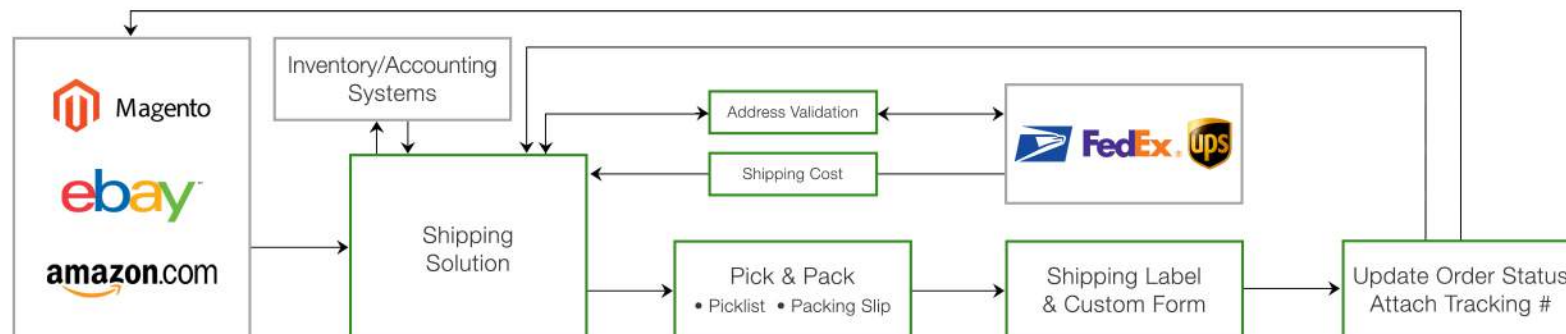
Carrier Selection:

Selecting the right carrier for a given order can become complex; the variables to consider include the number of carriers you have accounts with, destination address, order service level, cost, package weight, and sometimes package dimensions. A good shipping platform can help ensure you rate-optimize this critical step in the process.

Capabilities to Consider

Selling Environment

Set up shipping rates and options for selected carriers.

Shipping Environment

- Aggregate orders (if you use multiple selling platforms).
- Organize orders based on shipping decision criteria:
  | weight
  | box dimensions
  | age of order
  | value of order
  | number of items
  | address type (residential vs. commercial)
  | requested service level
  | other criteria relevant to your shipping process
- Apply business and shipping rules to help automate selection of the optimal carrier.
- Secure access to lower rates due to aggregate volume.

Physical Environment

Route package to the best carrier for the service level.

Fulfillment Location:

This is a factor only if you fulfill from multiple locations, in which case a good shipping platform can significantly streamline the routing of orders to the right location based on the variables that are relevant to your business.

Capabilities to Consider

Selling Environment

In the most sophisticated selling environments, the customer has the option to select the fulfillment location –and thus fastest delivery–based on the shipping destination. However, for most sellers, this is done via rules set up in the shipping platform.

Shipping Environment

- Determine the optimal fulfillment location based on one or more of the following factors:
  | Inventory carried (or remaining) at location
  | Proximity to destination address
  | Service level
  | Order processing capacity/current workload
- Route pick lists, packing slips, and shipping labels to designated printers appropriately.

Physical Environment

- Print the lists and labels.
- Pick, pack, and ship the order.

Location A

Location B

Location C

Generate Pick List, Packing Slip, and Shipping Label:

A good shipping platform will provide robust tools for designing lists and labels according to the needs of your business and its customers. For large shippers, a pick list with all orders and order items in sync with packing slips and shipping labels ensures an efficient assembly line or end-to-end process. Careful attention should be paid to what details can be included on each document and the sequence in which they will print out.

Capabilities to Consider

Selling Environment

Transfer appropriate order and customer data to the shipping system (see the "Data Integration" section).
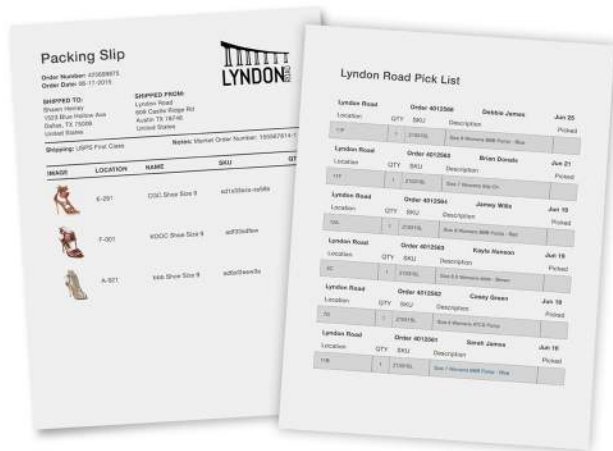
Shipping Environment

- Select orders ready for picking and packing
- Generate pick lists, packing slips and shipping labels containing your required data fields
  | Option: print pick list directly on shipping label to reduce paper and margin for error
- Set up printer page formats (e.g., labels per page), including:
  | Label size
  | Potential use of doc tabs
- Route to correct printer in correct order, considering:
  | Single vs. multiple fulfillment locations
  | One-at-a-time vs. batch picking and packing
  | The customization and required content for lists and labels
  | Single vs. multiple printers
  | Carrier-specific printers

Physical Environment

- Print pick lists, packing slips and labels.
- Pick items and assemble orders.
- Pack orders, including packing slips.
- Affix shipping labels.
- Coordinate the above efforts to minimize errors.

Picking Process:

We'll cover the picking process in more detail in the next section, "Which Processes Will Work For Me?", but here are the main capabilities you need to keep in mind when you set up your physical environment.

Capabilities to Consider

Selling Environment

N/A

Shipping Environment

- Support for preferred picking process (see "Which Process Will Work For Me?"), especially these components:
  | Warehouse location
  | Warehouse Bin
  | Pick by order
  | Pick by item

Physical Environment

- Setting pick and pack methods:
  | Using the packing slips
  | Using the order's content list printed directly on the shipping label
  | Using a standalone pick list
  | Using shipping label doc tabs which present pick list information
- Pick to bin (vs. directly to box or envelope)
- Single vs. multiple fulfillment locations
- Order consolidation (e.g, multiple orders from one customer into one box)
- Digital vs. physical products
- Picking one order at a time vs in batch (e.g. pick multiple units of each item and allocate them among several orders which contain that item)
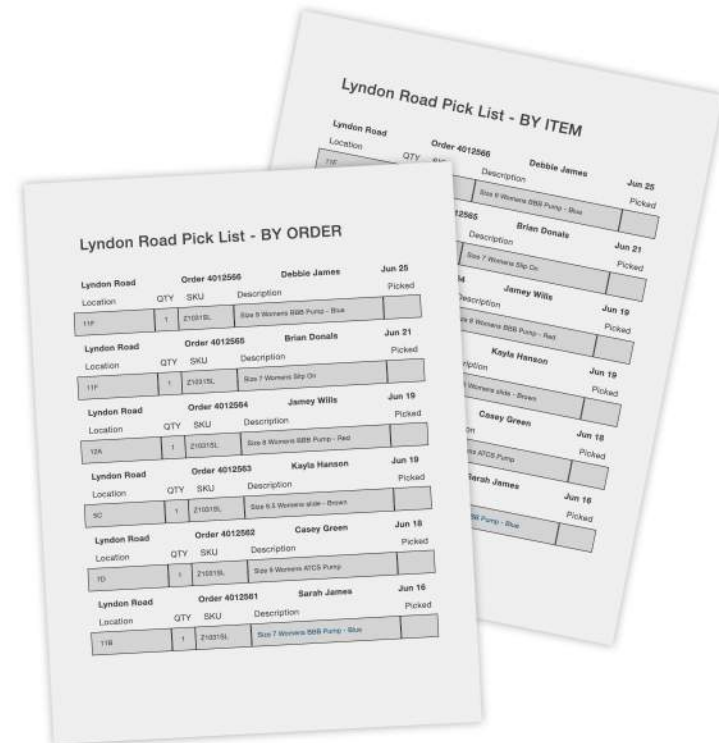
Packing Process:

We'll cover the packing process in more detail in the next section, "Which Process Will Work For Me?" but here are the main capabilities you need to keep in mind when you set up your physical environment.

Capabilities to Consider

Packing Slip

LYNDON ROAD

Order Number: 425699875
Order Date: 06-17-2015

SHIPPED TO:
Shawn Henley
1523 Blue Hollow Ave
Dallas, TX 75006
United States

SHIPPED FROM:
Lyndon Road
609 Castle Ridge Rd
Austin TX 78746
United States

Shipping: USPS First Class

Notes: Market Order Number: 155567814-1

IMAGE	LOCATION	NAME	SKU	QTY
	E-291	CGC Shoe Size 9	sd1s33s4s-ss58s	1
	F-001	KOOC Shoe Size 9	adf33sdfew	1
	A-521	bbb Shoe Size 9	sd6sf2eew3a	1

Selling Environment

N/A

Shipping Environment

• Support for preferred packing process (see "Which Process Will Work For Me?"), especially these components of the printed packing slip:
  | Order item detail
  | Item images
  | Notes
  | Column order (how the columns are laid out from left to right on the slip)
  | Print sequence of slips
  | Printer routing of slips

Physical Environment

• Receive order items in bin from picking process
• Compare physical items for order to those listed on the packing slip
• Select and optimize box, envelope or package selection based on order contents:
  | Dimension considerations given dimensional weight if applicable
  | Packing materials

Analytics and Reporting:

Shipping platform analytics can provide valuable insights into many aspects of customer behavior and the performance of your shipping process. We'll cover this in greater detail in the Systems and Services section, but here we provide some highlights.

Capabilities to Consider

Selling Environment

Incorporate data from shipping platform into sales reports.

Shipping Environment

• Analyze data and generate periodic or custom reports on:

| Demand: for SKUs/products across all selling platforms
| Just in time: unshipped orders and SKUs
| Customers: items or order value by geography/time period
| Shipping performance: costs/on-time performance by carrier, service level, fulfillment location, etc.
| Supply chain: monitoring demand trends to improve replenishment
| Performance: by store/user/fulfillment location
| Promotions: targeting promotions based on behavior across multistores/channels

For multiple store situations, a shipping platform's ability to analyze data across all stores is especially powerful.

Physical Environment

N/A

167
New Orders Today
383
Unshipped Orders
28
Orders Ready to Ship

Downloaded Orders	Today	MTD
Lyndon Rd.	5,132	33%
Amazon	6,998	45%
eBay	3,421	22%

Shipped Orders	Today	MTD
Lyndon Rd.	7,963	36%
Amazon	9,290	42%
eBay	4,866	22%
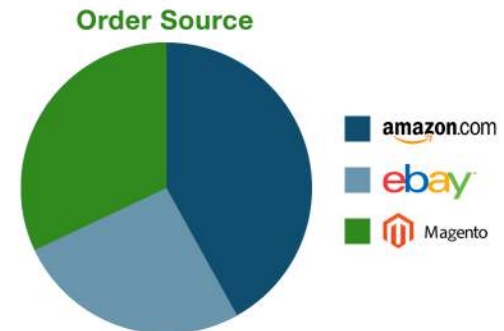
Order Source

- amazon.com
- ebay
- Magento

Which Processes Will Work For Me?

Now let's look at the high-level, end-to-end process of taking an order from capture through shipment.

High-level Processes

The capabilities you choose to implement will inform the processes you follow—as well as the technology you select. While there are hundreds of subtle process permutations based on the capabilities we've covered, here are the common high-level steps:

AGGREGATE & MANAGE ORDER INFORMATION	>

PICK / PACK / WEIGH / CHOOSE CARRIER / LABEL	>

SHIP	>

Getting the order information from your selling environment(s) into your shipping environment and preparing them for shipment.

For example:

- validate addresses
- confirm inventory
- check customer and internal notes
- combine orders from the same customer
- split orders going to multiple addresses
- assign orders to categories
- apply rules/mapping
- mark as drop shipped
- sort | filter orders by:
  - warehouse location
  - # of items
  - order date
  - weight
  - domestic/international
  - residential/commercial

The order in which you complete these steps depends on whether you have shipping measurement data (item weight and possibly dimension) associated with each item, and the ability of your Shipping Platform to apply rules to this data to determine the preferred carrier. If shipping measurements/parameters are available and the calculation is feasible, your Shipping Platform may be able to select the best carrier and generate the shipping label while you print the pick/pack lists, pick, and pack. If not, you will need to print the pick and pack lists, pick, pack, weigh, and then select the best carrier.

Potential factors influencing this process:

- Average daily order volume
- # of SKUs: quantity of products on hand/shipping
- # of items: in average order
- Item weight accuracy and availability in store platform
- # of shippers
- # of carriers
- # of printers

Transfer package(s) to selected carrier(s) and update shipping information to all parties:

- order status update in Selling Platform/s (eg mark as shipped)
- carrier tracking # update in Selling Platform/s
- shipment confirmation with tracking # to customer

Aggregate and manage order information

| AGGREGATE & MANAGE ORDER INFORMATION ⟩ | PICK
PACK
WEIGH
CHOOSE CARRIER
LABEL ⟩ | SHIP ⟩ |

Basic functionality: no shipping platform available

• In the most basic shipping environment, there is no shipping platform—everything tends to be managed via the selling platform(s) and the carrier's website (e.g., UPS Worldship or FedEx Shipment Manager) or PC Postage provider (e.g. Stamps or Endicia). In this case, you would simply log into your selling platform (into each one, one at a time, if there are more than one) and print your packing slip(s), then move to the next step. In some selling platforms (e.g., eBay, Amazon, Etsy), labels can be generated directly from that platform for orders generated there.

Advanced functionality: shipping platform available

• Your shipping solution receives the order data via the Application Programming Interface (API—a software interface that allows one system to easily send and receive data from another system) from the selling solution(s) in real time, including the customer selected shipping option, customer address, customer messages, order split/merge information, and item weight and dimension measurements, when available.

• If multiple selling platforms are used, a good shipping solution can aggregate order data from all of them into a single view.

• Shipping administrator(s) can manage order data by filtering and sorting to guide automated processes.

• Multiple administrators can view and manage specific groups of orders, communicate with each other, and collaborate to prep orders for picking, packing and shipping.

• Your shipping solution applies rules to order data to automate decision-making and repetitive tasks. **For example:**

Assign weight to items/SKUs	Add weights to shipments containing promotional gifts
Assign categories or "folders" to create groups of similar orders (e.g., expedited shipments)	Assign designated orders to a designated user/administration
Assign carriers based on weight, dimensions, customer-requested shipping option and/or address type	Add signature or delivery confirmation for orders over a certain value
Assign "ship from" address based on order number, SKU, destination, etc.	Automatically print a unique packing slip template for designated orders
Automatically send a promotional shipment confirmation email	Flag orders that contain multiples of a specific SKU

• Your shipping solution creates related pick list, packing slips, and shipping labels, and readies them to print.

  | A good shipping solution allows you to design your pick lists, packing slips, and shipping labels to lay out various data elements from the shipping platform. **For example:**

    - Pick lists may contain images and/or warehouse locations and be grouped by order vs. by item.

    - Packing slips may or may not contain certain information such as gift messages or product prices, depending on customer intention.

    - Shipping labels may include removable doc tabs with pack list data, or the order number or item details may be printed directly on the shipping label.

Pick, pack, weigh, choose carrier, and label orders

| AGGREGATE & MANAGE ORDER INFORMATION | > | PICK
PACK
WEIGH
CHOOSE CARRIER
LABEL | > | SHIP | > |
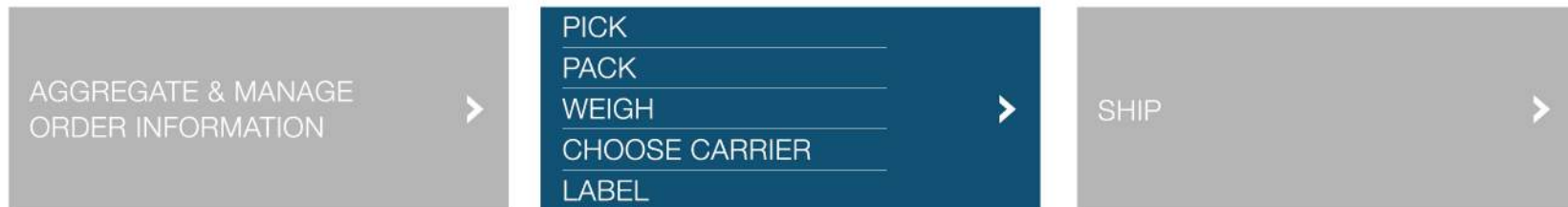
Basic functionality: no shipping platform available

• User takes pick list printed from selling platform and uses it to pick item(s)

• User packs items into appropriate box using appropriate materials creating a ready-to-ship package

• User manually weighs and measures package

• User copies customer address from selling platform into carrier or PC postage website

• User enters shipping parameters for package into selected carrier's label-generation webpage, compares available rates/delivery speed and selects best carrier/service level

• User prints and affixes label to package

Advanced functionality: shipping platform available

• Shipping parameters, including order weight, have most likely processed in last step as part of the API download process from the selling platform

• Shipping platform (with some level of input from shipping administrator) performs rules-based assignment of shipping box/envelope/polymailer and adjusts order's weight based on this assignment

• Picker prints pick list and picks similar items for multiple orders (batch picking) or picks per order and places in a bin

• Shipping platform determines best carrier based on shipping parameters (weight, dimensions, customer-selected shipping option, address type, etc.) then generates shipping label

| Alternatively, shipping platform maps orders/shipments to carrier and service based on shipping rules, or

| Shipping platform may offer predictive analytics to assign carrier and service selections based on historical patterns

• If multiple distribution locations exist, a good shipping platform can organize orders by location so pickers at each location can easily select and print their specific pick lists onsite.

• Shipping platform routes shipping labels (and packing slips) for a batch of orders to the appropriate printer based on the selected carrier, then it prints labels.

| Labels (and packing slips) should print in a predictable order based on:

   - Order number

   - Sequence that an order was selected in shipping platform, or

   - Sequence the order appeared in a batch

| Shipping platform updates selling platform in real time (via API or other data exchange channel) with:

   - Carrier tracking information

   - Order status update ("shipped")

| User packs boxes from bins, checks items against packing slip and affixes sequential labels in an assembly line

Ship

| AGGREGATE & MANAGE ORDER INFORMATION | > | PICK
PACK
WEIGH
CHOOSE CARRIER
LABEL | > | SHIP | > |

Basic functionality: no shipping platform available

• User drops off or places package in pick-up area for selected carrier

• Daily shipment report delivered to private carrier:

  | End of Day form and electronic package level detail (PLD) report is printed for private carriers (UPS/Fedex) from carrier website

Advanced functionality: shipping platform available

• Assembly line routes each package to appropriate pick-up area for its selected carrier

  | Daily shipment reports are automatically generated or delivered to carriers:

    - Shipping platform automatically sends all shipment information to private carriers (UPS/FedEx) as labels are created

    - User generates a USPS Scan Form for that day's shipments from the shipping platform and prints for USPS pickup ⬚

Detailed Processes

Now let's look at some more detailed processes, covering a range of common order management and shipping scenarios. The following flowcharts will help you visualize the process:

Most basic process: no shipping platform

Putting together all the pieces of the most basic process—no shipping solution, one-at a time order processing, and using the packing slip to pick—we arrive at an end-to-end process like this:

Selling Platform(s)

Print Packing Slip

If you sell in multiple online stores, you will need to access each one separately to complete these steps

Copy Address for Order

Update Order Status

Fulfillment Location*

Pack Order → Weigh Order

Print Label

Put Label on Box → Ship Order

Carrier Platform(s)

If you use multiple carriers, you will need to manually decide which is best for a given order and complete these actions on the appropriate carrier site

Paste Address for Order

Buy Label

*The physical location in which you package inventory

Basic process with shipping platform

The simplest end-to-end process occurs when a shipping platform is available, but orders must be manually weighed and are picked directly from the packing slip and pro-cessed one at a time. Here's an example:

Selling Platform(s)

Order Information

Real Time Order Status Update

Send Customer Notification

Shipping Platform

Consolidate All Order Info

Manually Filter/Organize Orders as Desired

View Orders One at a Time

Shipping And Tracking Details Automatically Captured

Typically this can be sent from either the Selling or Shipping Platform

Buy Label

Fulfillment Location*

Print Associated Packing Slips

Pick by Packing Slip

Pack

Weigh**

Print Label

Put Label on Box

Ship Order

*The physical location in which you package inventory; assume in this case a single location
**A seller can reduce shipping workload by 20-40% by having weights accurately downloaded from the store versus weighing each package.

Advanced process: product shipping information available

What follows is the end-to-end process for a more advanced scenario, where product weight and dimensions are included in the product data feed from the selling platform(s) to the shipping platform. Having this information in the order data feed allows a seller to reduce their shipping workload by 20%-40% versus having to manually weigh each order:

Selling Platform(s)

Order Information

Real Time Order Status Update

Send Customer Notification

Shipping Platform

Consolidate All Order Info

Organize Orders/ Items for Picklist

If multiple Fulfillment Location, route appropriately

Rules-Based Carrier/ Service Selection

The degree to which you can automate Carrier/Service selection depends on your shipping platform and item attributes.

Manual Carrier/ Service Selection

Buy Label

If multiple Fulfillment Location, route appropriately

Print Label

Shipping And Tracking Details Automatically Captured

Typically this can be sent from either the Selling or Shipping Platform

Fulfillment Location*

Print Picklist by Item

Print Picklist by Order

Print jobs are sent from the Shipping Platform to printer(s) generally located in the Fulfillment Location. If multiple Fulfillment Location, shippers in each would select their picklists and print locally.

Put Label on Box

Pick

Pack

Ship Order

*The physical location in which you package inventory

Advanced process: product shipping information unavailable

Here's the end-to-end process for a more advanced scenario, where product weight and dimensions are not included in the product data feed from the selling platform(s) thus requiring that each order be weighed after packing:

Selling Platform(s)

Order Information

Real Time Order Status Update

Send Customer Notification

Shipping Platform

Consolidate All Order Info

Organize Orders/ Items for Picklist

If multiple Fulfillment Location, route appropriately

Print Picklist by Item

Print Picklist by Order

Rules-Based Carrier/ Service Selection

The degree to which you can automate Carrier/Service selection depends on your shipping platform and item attributes.

Manual Carrier/ Service Selection

Buy Label

If multiple Fulfillment Location, route appropriately

Print Label

Put Label on Box

Ship Order

Shipping And Tracking Details Automatically Captured

Typically this can be sent from either the Selling or Shipping Platform

Fulfillment Location*

Pick

Pack

Weigh**

Print jobs are sent from the Shipping Platform to printer(s) generally located in the Fullfillment Location. If multiple Fullfillment Location, shippers in each would select their picklists and print locally.
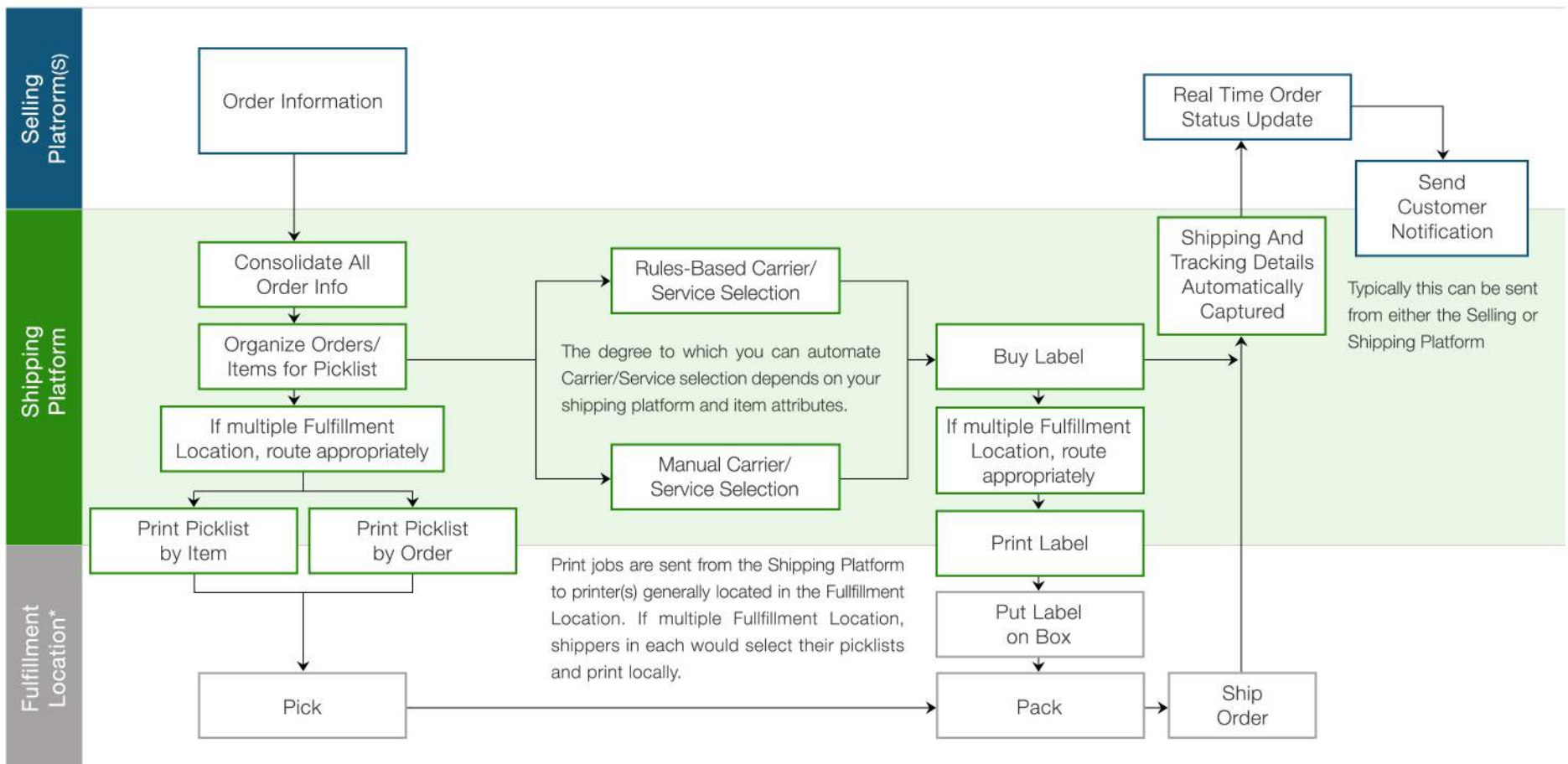
*The physical location in which you package inventory
**A seller can reduce shipping workload by 20-40% by having weights accurately downloaded from the store versus weighing each package.

Daily Deal process

What follows here is a sample process for a Daily Deal selling model, which is a simpler process because all items in a given deal are typically identical, meaning physical weighing is unlikely to be required. Because Daily Deal sites don't compensate sellers until the products have been shipped and tracking numbers posted back, Daily Deal sellers benefit greatly from the automation, efficiency and data integration offered by a good shipping solution
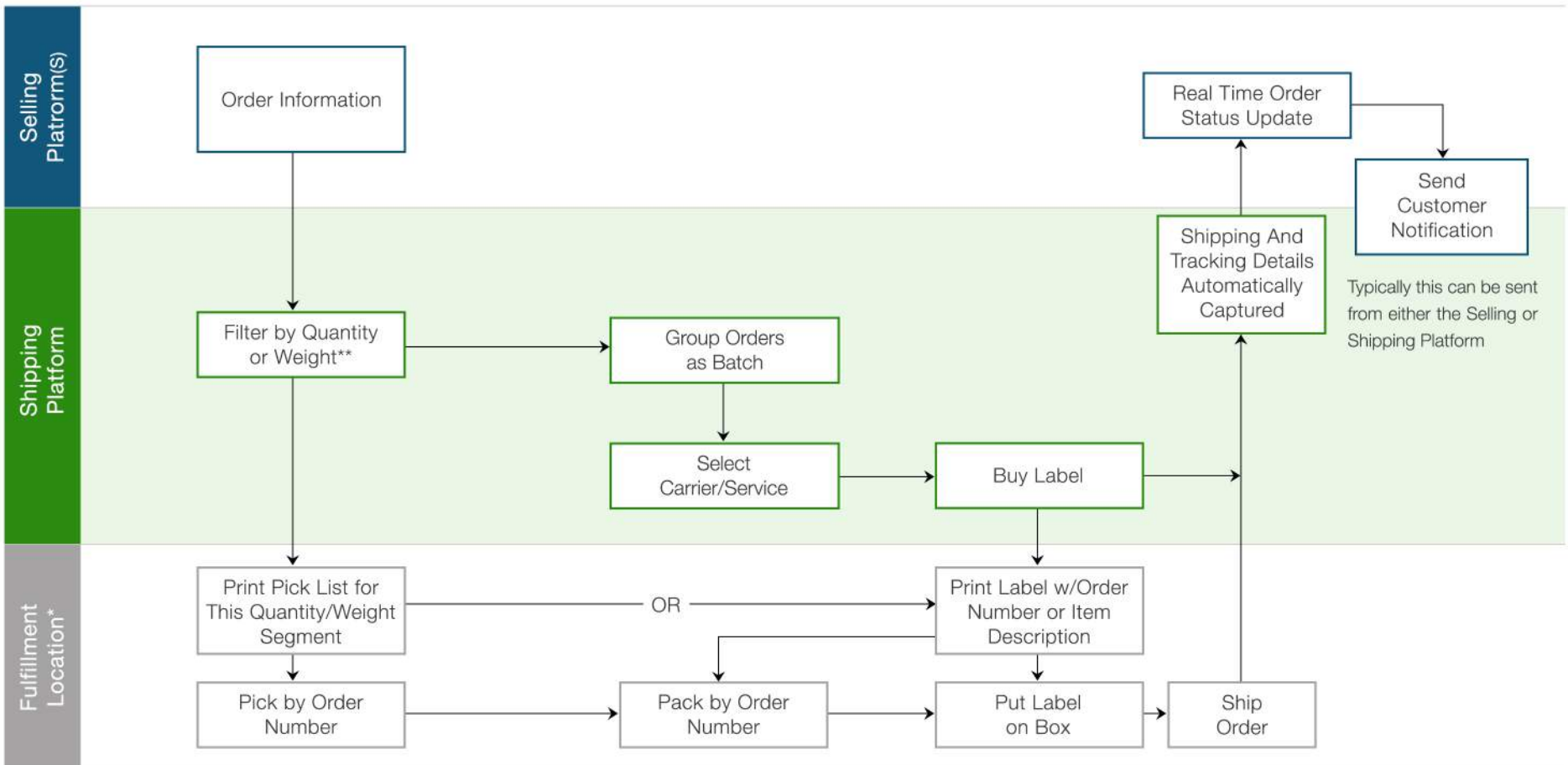
*The physical location in which you package inventory
**Allows batching shipments by known package size/weight category

Returns process

A shipping platform can help automate your returns process given that it's the system of record for your shipments and it integrates directly with your shipping carriers for re-turn-label generation. The process below shows the basic steps for a return merchandize authorization- (RMA)-driven returns process:

Selling Platform(s)

Buyer Requests RMA → Buyer Returns Product → Update Order Status → Issue Refund → Send Customer Notification

Shipping Platform

Seller Generates RMA and Return Label → Seller Sends RMA and Return Label to Buyer

Fulfillment Location*

Seller Receives Product and Logs Receipt → Scan or Enter Inventory
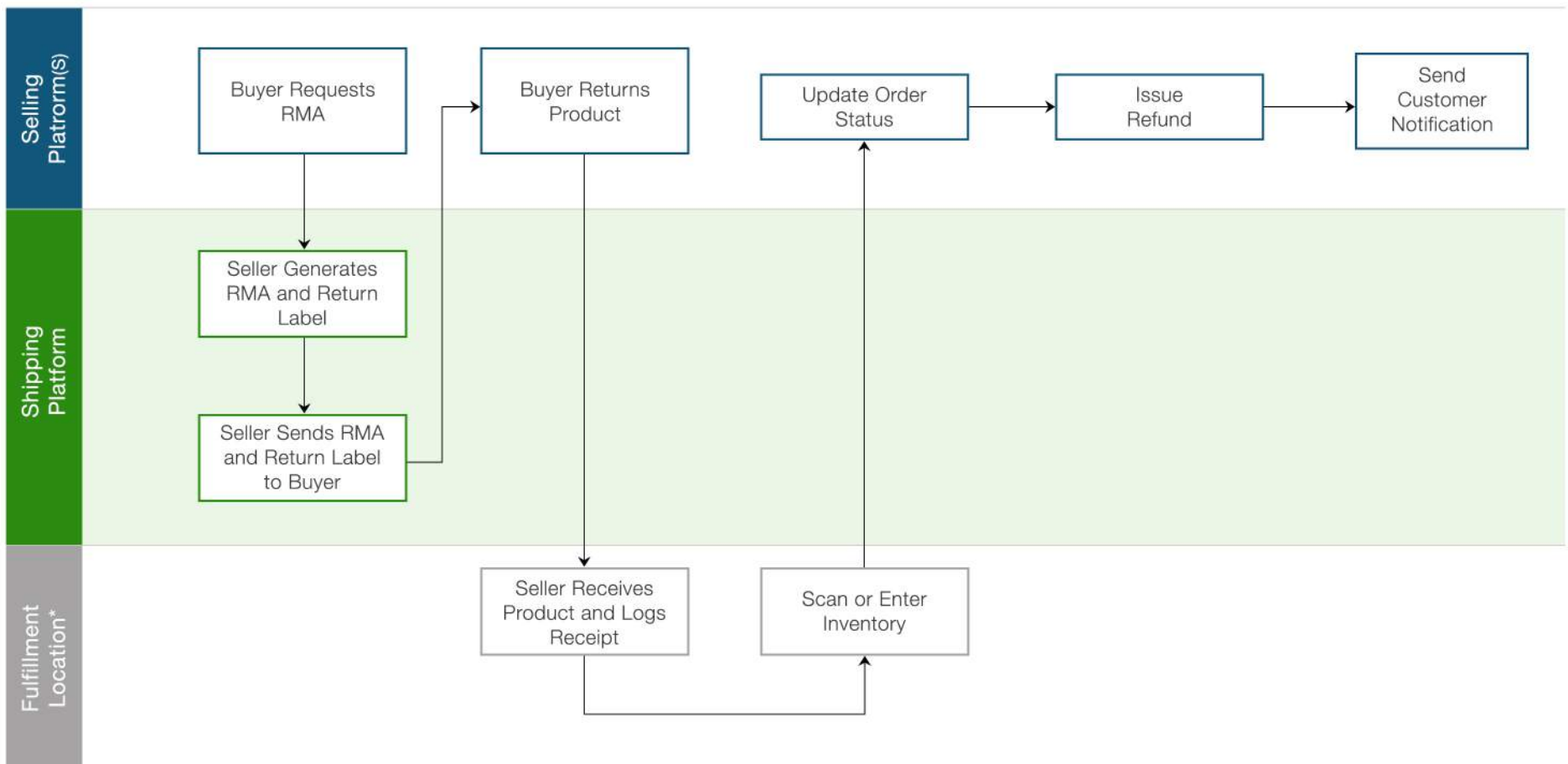
The physical location at which you receive returned merchandise
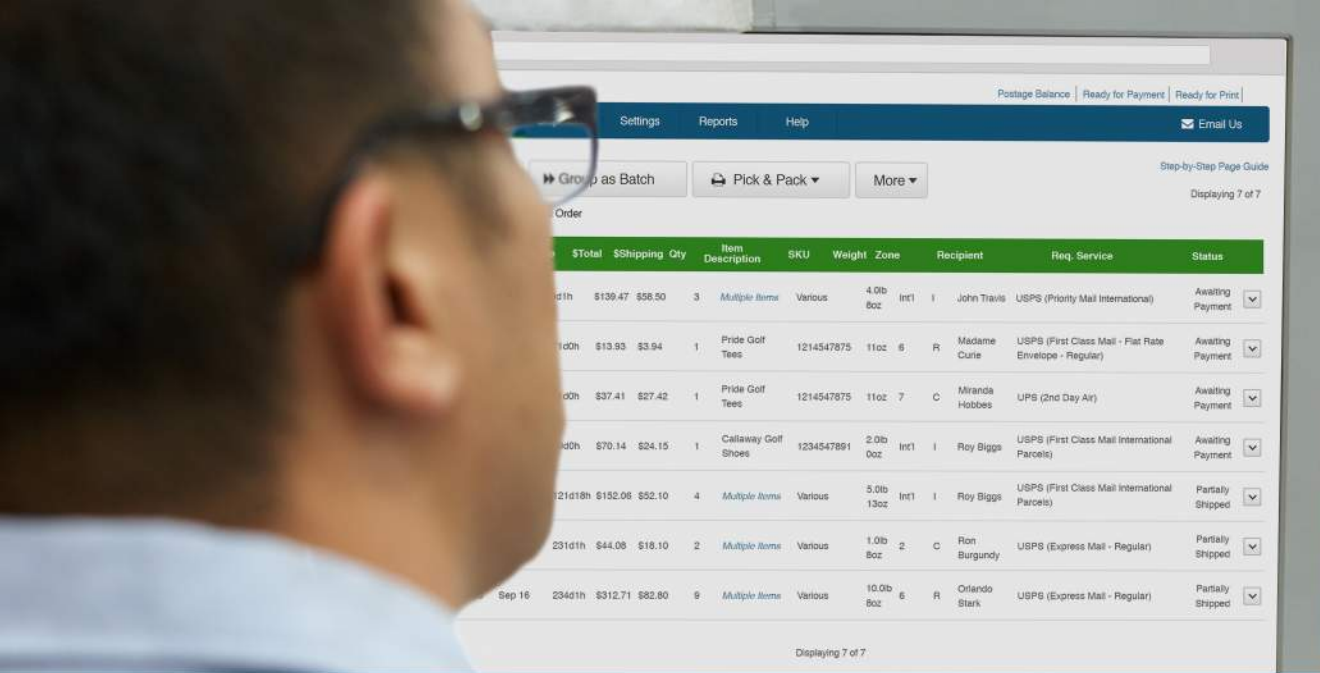
30

Which Systems and Services Do I Need?

Now let's look at some of the criteria you'll want to think about as you evaluate technologies and service providers to build out or upgrade your shipping ecosystem. In this section we'll cover:

SaaS vs. On-premises	Carriers
Selling Platforms	Peripherals
Shipping Platforms	Supplies

SaaS vs. On-premises

• On-premises software is software that is purchased under a traditional license agreement and physically installed directly on one or more computers at the purchaser's facility. Licenses for on-premises software are typically priced based on the number of users; in some cases, duration of the license and the level of functionality or included support is a factor as well. A good example of on-premises software that many PC users are familiar with is Microsoft Outlook, for which you pay for a license, download the executable file to your computer, install it, and run it locally.

• The Software as a Service (SaaS) model of licensing and delivering software has grown significantly in the last 10 years for virtually all types of software, and shipping and selling platforms are no exception. SaaS software is hosted by the provider and typically accessed by the user over the internet using a web browser. As with on-premises software, licensing is typically based on the number of users, duration, and level of functionality and/or support. SaaS licenses, however, are very often structured as monthly or annual subscription fees. A good example of a basic SaaS product is Gmail, which, in contrast to Microsoft Outlook, runs on a server in the cloud and is accessed via a web browser.

• Generally speaking, on-premises software offers more customizability at the expense of higher maintenance and infrastructure requirements for the buyer. While SaaS software may offer less customizability, maintenance and infrastructure requirements are virtually non-existent for the buyer.

The following illustration shows key differences in the lifecycle of on-premises vs SaaS software:

Up-front activities are largely the same

Operational activities are handled completely by the SaaS vendor

Define Requirements >	Select Software >	Design Solution >	Customize >	Integrate >	Operate >	Patch/ Upgrade >
• Business and technical requirements • SaaS vs. On-prem may be considered here; e.g. your organiztion's ability to manage infrastructure	• Evaluate options and determine best fit • Requirements may clearly steer you toward one model	• User experience and technical design • On-prem is typically more flexible for UX but may involve a more complex technical integration environment	• Customize to meet design requirements • on-prem generally more customizable than SaaS but the gap is narrowing	• Integrate with existing systems • SaaS may offer simpler integration models and/or require fewer integrations	• Hosting • DevOps • Performance • Support	• Install patches and bug fixes • Upgrade when a new version comes out

SaaS vs. On-premises

The following table breaks down the key SaaS vs. On-premises considerations

Consideration	SaaS	On-premises
Ease-of-use	Generally easier to use because: • Web interface is consistent across all hardware/OS platforms • No installation means no chance of incompatibility with other software on machine • Once machine is configured, it can be accessed from any location	• May be easier to configure local devices, but must configure them for every local instance of the software
Staff access	• Can access from any web browser • This is especially an advantage if you have multiple distribution locations, offices, or if you drop ship, or if any of these will apply to you as you grow your business	• Must install on any machine where a user requires access
Functionality updates	• You automatically get every enhancement/update/release that comes out in real time	• Must manually upgrade software—potentially causing downtime and configuration issues
Integration	• Generally via APIs, so very flexible	• Varies
Data access	• Can be accessed from any web browser with appropriate credentials	• In order to access beyond the machine on which the software is installed, must use a cloud-based workaround
Data security	• With proper encryption and access control, very secure	• Arguably more secure because data is only on local hard drive
Performance/ Redundancy	• Software vendor typically agrees to provide various performance service levels. For example: | Uptime: the vendor should guarantee a certain level of uptime (e.g., time the platform is available for you to work on). Typically this is greater than 99% and often includes redundancy and automatic data backup. | Response time: the vendor should also guarantee response time (e.g., how long it takes to get a given task done)—so that you will never have to worry about the time it takes you to process a single order becoming longer because you have a larger-than-expected number of orders to process.	• Performance and redundancy are entirely up to you: | Uptime: if your system goes down, you will not be able to process orders. | Response time: an unusually large number of orders (which you want!) may overwhelm your local infrastructure, slowing down your order-processing time. If your business is growing, you will need to plan to upgrade infrastructure periodically to handle the volume.

Selling Platforms

Here are some of the key evaluation criteria to consider when selecting or upgrading your selling platform:

• **Transaction volume:** the platform should be cost effective for the number of transactions you anticipate (allowing for growth over a multi-year time horizon); see the related, previously discussed SaaS vs. on-premises considerations.

• **User experience:** platforms vary in the degree to which (and difficulty with which) they allow you to customize the user experience (e.g. page layout, navigation). You may prefer a less customizable site for its simplicity, or a more customizable site that you can make better represent your brand or serve your customer's specific needs or the easy bundling of products in a "kit."

• **Design and Themes:** select or customize the look and feel of your online store to best represent your brand and feature your product portfolio. Most SaaS platforms provide easy design theme installs and add to them on a continuous basis. You can choose from free and premium options.

• **Hosting and Security:** Some platforms will include domains, hosting packages, SSL certificates, fraud protection, cloud backup, and/or PCI compliance features. You will need to decide whether you want to use the platform package or a 3rd party vendor.

• **Payments and Shopping Cart:** Most platforms offer cart solutions and is the main reason you need a selling platform. This enables customers to add items to a shopping cart and allows merchants to accept credit cards.

• **Order Management:** This is where you will control your inventory, process orders, and handle returns directly from the application. Selling platforms don't generally provide functionality as robust as that which is provided by shipping platforms in this area, so you may want to focus your order management requirements on your shipping platform selection process.

• **Customer Management:** Organize and manage your customers and their unique needs. identify your most loyal shoppers with customer management tools. Create customer groups and customize their shopping experience.

• **Marketing and Promotions:** If growing sales is important, look for a platform that makes it easy to reach more shoppers via social media tools, automated SEO, email marketing applications and the ability to push your products to additional channels.

• **Analytics:** Some platforms will provide reports and analytics on where your customers are shopping, what they are buying, conversion and cart abondonment metrics and more

• **Apps and Integrations:** most eCommerce platforms provide third-party integrations for features they don't already provide out of the box; primary here is the ability to integrate with a robust shipping platform as discussed in the next bullet and in great detail in the next section, Shipping Platforms.

• **Shipping platform support:**
  | Integration: data fields needed, integration mechanism, supported marketplaces, carts and platforms
  | User experience support : present international shipping, support presentation of multiple shipping pricing models, etc

Shipping Platforms

Integration with other platforms

Given the shipping platform's central role in the eCommerce ecosystem, it needs to integrate with the ecosystem's many other software components. The following table discusses each of these components and the shipping platform's integration goals related to each:

Software	Integration Goals
Selling Platform	• Seamless order download to shipping solution with all details relevant to shipping (order details, order status, item descriptions including color/sizes, item weight, customer/gift/internal notes, requested shipping service) • New items included in an order are populated automatically to product catalog in shipping solution • Real-time order status updates and shipping tracking information back to store
Accounting	• Write order data from shipping solution into your accounting software to create financial transactions; typically select from: | Sales Receipts, | Sales Orders, or | Sales Invoices • Order detail syncs to accounting solution from shipping solution, including: Customer Name, Address, Email, Order Number, Product Line Items, Order Date, Date Paid, Order Total, Shipping Cost
Inventory	• Negates the need to integrate individual store(s) with shipping solution—order data is pulled directly from inventory solution • Automatically read and download designated orders from your inventory solution to your shipping solution • Map order status from inventory to appropriate status in your shipping solution • Update inventory solution with status updates and shipment tracking number in real time
Electronic Data Interchange (EDI)	• Seamless order download to shipping solution with all details relevant to shipping (order details, order status, item descriptions including color/sizes, item weight, customer/gift/internal notes, requested shipping service) • New items included in an order are populated automatically to product catalog in shipping solution • Real-time order status updates and shipping tracking information back to EDI solution
Point of Service (POS)	• Shipping solution enables seamless Comma Separated Value (CSV file) upload of POS orders that require shipping • CSV Upload process supports one-time mapping that is saved and enables one-click upload after set up • Though limited today, as demand for a direct integration grows, leading shipping solutions will integrate directly with leading POS systems
Customer Relationship Management (CRM)	• Orders download from CRM to shipping solution automatically • Shipping solution uploads the status, shipping method and tracking information back to CRM system in real time
Order Management	• Seamless order download to shipping solution with all details relevant to shipping (order details, order status, item descriptions including color/sizes, item weight, customer/gift/internal notes, requested shipping service) • New items included in an order are populated automatically to product catalog in shipping solution • Real-time order status updates and shipping tracking information back to order management system

Shipping Platforms: Data Elements

The purpose of integration between platforms is to allow data to flow optimally between the platforms. Here are the main types of data—and associated data elements—that need to flow between the shipping platform and other components of the ecosystem:

- The most important integration between the selling platform and the shipping platform involves the movement of order data; order data consists of:
  | Unique Order Number
  | Customer shipping address(es)
  | Customer delivery service level requested
  | Financial aspects of each order, including order total cost, item cost, discounts applied, shipping paid
  | The unique SKU and description of each product included in the order, including color, size
  | The warehouse or bin location of each product
  | Status of each order (e.g., awaiting payment, awaiting fulfilment, awaiting shipment, partially shipped)
  | The weight of each product in the order, if your shipping system will determine carrier and/or calculate shipping cost based on this (versus the actual package weight obtained as part of the packing process)
  | Customer messages
    – Gift
    – Special delivery instructions
    – Product-related
  | Internal notes made in selling platform

- Order data is commonly transferred from the selling platform to the shipping platform in one of three ways:
  | Direct integration: via an application programming interface (API) call or a custom integration, the order data is automatically transferred, in real time or batch, from the selling platform to the shipping platform
  | File upload: the selling platform outputs a batch of order data periodically (e.g., at the end of each day) to a file, typically a CSV file, which is then manually uploaded into the shipping platform
  | Manual entry: a user copies the data for each order from the selling platform user interface and pastes it into the shipping platform user interface
- Customer data: many shipping solutions will allow a CSV upload of an existing customer address database and then real time additions as new customers are included in downloaded orders

Shipping Platforms: Analytics and Reporting

Your shipping data holds enormous power for your overall business, so the ability to analyze it and report against it is a critical capability of any shipping platform. Here are the critical data elements you will want your shipping solution to be able to report on:

Data Element	Description
Ship Date	Date the shipment enters the mail stream (should match the date on the shipping label)
User	Which user created the shipping label
Order Date	Date the customer placed the order on your website
Order Total	The total amount your customer paid to you including item cost, shipping charge and taxes (should match the Order Total on your website)
Store	The website that the order was placed from
Order Number	Unique order identifier (should match the order number on your website for quick recognition)
Ship From	The Return Company/Name on the shipping label
Ship From Address	The Return Address on the shipping label
Recipient	The Ship To name on the shipping label
Purchaser Billing Address	The Billing Address associated with the payment method for the order
Recipient Shipping Address	The Ship To Address on the shipping label
Email Address	The email address is typically associated with the recipient to receive the shipment confirmation email
Carrier	The mail carrier who is transporting and delivering the package
Rate Provider	Which postage account the label postage was charged to

Shipping Platforms: Analytics and Reporting

Your shipping data holds enormous power for your overall business, so the ability to analyze it and report against it is a critical capability of any shipping platform. Here are the critical data elements you will want your shipping solution to be able to report on:

Data Element	Description
Service Type	The carrier service of the package (typically determines how quickly the shipment will be delivered)
Package Type	The package option selected for the shipping label (should match the actual package of the shipment)
Confirmation Option	If you pay an additional fee for extra delivery confirmation (e.g., Signature Confirmation), will list the add-on
Quantity	Number of items shipped in the order
Weight (oz)	The weight (in ounces) of the shipment (helpful for accurate postage cost, but also for future reference to understand the items in the package)
Zone	The Zone relates to the distance between the origin and delivery address (the smaller the zone number, the closer the delivery; the larger the number, the farther away)
Destination Country	Helps to distinguish between domestic and international shipments (can be useful to determine the percentage of shipments you send out of the country)
Tracking Number	Great reference to determine delivery status of a particular shipment
Shipping Paid (By Customer)	How much your customer paid to you for shipping
Postage Cost	How much you actually paid for the shipping label
Insurance Cost	If you added insurance, will list the amount you paid (directly relates to the declared value for coverage)
Total Shipping Cost	The cost of the shipping label plus any insurance and additional confirmations
Shipping Margin	The difference between how much your customer paid you for shipping and the amount you paid for the shipping label: Did you make or lose money? (This helps to determine how much you should charge on your website.)
SKU	Unique identifier of your items (helps to determine your most popular items and can be used to manage inventory)

Shipping Platforms: Carriers

Whether or not you are an eCommerce seller, you are probably familiar with the major carriers—USPS, UPS and Fedex. In this section we'll look at some of the key decision criteria for selecting your carrier(s), and provide some key details on each of the major players.

- Selection criteria

| **Markets:** domestic, international or both

| **Tracking:** importance of trackable services

| **Weight:** average package weight? Maximum? Minimum?

| **Package Dimensions:** average package dimensions? Maximum? Minimum?

   - New dimensional weight measures – will these apply given the above?

| **Insurance:** average order value and extent to which included insurance will cover?

   - Cost of incremental insurance if applicable?

| **Signature:** preference for signature confirmation and incremental cost applied

| **Ship to Address Type:** will you primarily be shipping to residential or business addresses?

   - Some carriers apply a surcharge for residential delivery

| **Pickup preferences:** where on a route is your business and what is the estimated pick up time, daily?

| **Pickup fees:** does your volume meet the minimum or will a pick-up fee be applied to your monthly cost?

| **Software:** does the carrier provide shipping software or will they pay a monthly subscription to a multi-carrier shipping solution if you require one?

| **Supplies:** does the carrier provide free supplies relevant to the type of shipping you do?

   - This might include boxes, envelopes and labels.

| **Saturday delivery:** to what extent is weekend delivery important?

   - Some carriers have significant surcharges for Saturday delivery.

| **Address Accuracy:** Does the carrier charge for a non-deliverable package? Can you update an address after you've shipped?

Destination

| Domestic, International or both

| Residential or Business

| % City vs Rural (surcharges)

Product & Package Type

| Weight: Average, Max, Min

| Dimensions: Average, Max, Min

   - Relevance of Dimensional Weight

| Contents: Fragile, Hazardous, Liquid

| Supplies: Suitability or Free Supplies

Service Options

| Insurance

| Tracking

| Signature Confirmation

| Hold for Pick Up

| Saturday/Sunday Delivery

   - Surcharges

| Pick Up Frequency and Timing

| Pick Up Charges

Peripherals

There are two peripherals that no eCommerce seller can do without: printers and scales. In this section we'll look at the different options available for each, and how to select one that's right for your business. We'll also cover scanners, which can help optimize order processing, especially for higher-volume sellers.

Printers

There are three categories of printer: inkjet, laser and thermal. We discuss each in detail in the sections that follow.

Inkjet

- Advantages of using an inkjet printer:

  | Inkjets usually support full-color printing (whereas full-color printing is usually a high-cost premium feature for laser printers).

  | Injets are very cheap. Entry level printers easily purchased for under $100

  | Inkjet print quality is usually high.

  | Inkjets are multi-use. They can print packing slips and shipping labels.

  | You probably already own one.

- Disadvantages of using an inkjet printer:

  | Slow print speed: The pages per minute (PPM) print capabilities of inkjet printers is typically low, especially compared to laser printers and thermal printers if you're trying to solely print labels.

  | Starts cheap, gets expensive fast: Because inkjets work using proprietary inkjet cartridges, you're limited to your specific printer model's when it's time to refill or replace ink cartridges. Also, the page limit for ink cartridges is much smaller than a laser printer, which can usually go through thousands of pages before it needs to be replaced. Ink cartridges are the least cost-effective way to purchase ink.

Shipping label stock for ink jet and laser printers can be expensive when compared to thermal label rolls. Inkjet is great for businesses just starting out. Lower shipping volume means you can print black-ink shipping labels and colored-ink packing slips from one source.

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Laser

Laser printers are the most common printers used in offices.

• Advantages of using a laser printer:

    | Fast print speed: PPM (pages per minute) are typically high on laser printers, especially if it is a black-ink-only printer.

    | Ink toner holds significant ink, and can print thousands of pages before it is depleted and requires a toner refill. While individual toner is more expensive than an ink cartridge on inkjet printers, laser printers yield more pages on a single replacement and are less expensive in terms of price-to-pages printed.

    | Multi-use: Can print pick lists, packing slips and shipping labels from a single printer

• Disadvantages of using a laser printer:

    | Color is typically a premium feature for laser printers and, if you want color for packing slips, can increase initial printer cost.

    | Toner, while cheaper than ink jet cartridges, is still very expensive and will affect shipping costs if shipping volume is high.

Laser printers print faster and are a better investment than inkjet if your volume starts increasing; however, laser printers share many of the weaknesses that Inkjets do. As a long term solution, laser printers are superior to inkjet models, despite higher initial costs.

Peripherals

There are two peripherals that no eCommerce seller can do without: printers and scales. In this section we'll look at the different options available for each, and how to select one that's right for your business. We'll also cover scanners, which can help optimize order processing, especially for higher-volume sellers.

Printers

There are three categories of printer: inkjet, laser and thermal. We discuss each in detail in the sections that follow.

Thermal

- Advantages of using a thermal printer:

   | No ink: this is thermal printers' most obvious and biggest selling point. The more you ship and produce, the more money you stand to save with a thermal printer.

   | Typically built to last: because they have one function and are focused on business use, thermal printers have proven longevity.

   | Fast: single function and print on rolls as opposed to paper stock yielding faster printed output

   | Cheapest long term solution: rolls of labels are less expensive than paper stock, and the absence of ink toner can turn into thousands of dollars of savings.

- Disadvantages of using a thermal printer:

   | Thermal printers can't print general-purpose documents.

   | Thermal printers have a high upfront cost, especially if you buy a quality printer.

   | Thermal printers have some compatibility issues with specific operating systems (for example, they're not always OSX-supported)

The main benefit of a thermal printer is that it doesn't require ink to produce printed labels; instead, a thermal print-head applies heat to a ribbon, which melts ink onto the heat-sensitive label surface. Many shippers combine a thermal printer (labels) with a laser printer (packing slips) for the fastest, least expensive printing.

Scales

In the shipping industry weight matters. Typically, the heavier a package the more expensive it is to ship. Therefore, getting accurate weight measurements for your packages is essential if you don't want to get overcharged for the items you're shipping—or worse, have your carrier reject your package for an incorrect weight reading. For these reasons, a postal scale is a fundamental tool for any person or business that ships daily.

Why you should choose a USB postal shipping scale

While many types of scales are available for purchase, the best scale for eCommerce shipping is a USB (universal serial bus) digital postal shipping scale. Calibrated for accuracy—and specifically for package and parcel shipping—a USB digital postal scale holds multiple benefits over other scales for eCommerce shipping:

• USB connectivity allows you, when you're weighing a package, to directly connect to industry specific programs and software (e.g., a shipping platform) to eliminate the extra steps of reading and entering into your computer weight outputs from your scale. The result: faster, easier, more accurate weight measurements.

• By allowing you to bypass manually typing in the weight of the package, USB digital postal scales help you avoid errors; the scale's USB connection to your computer and a shipping solution polls the scale 5-10 times per second and updates the order weight based on the scale weight.

• USB digital postal scales are purpose-built so they usually feature a fairly wide, flat surface for package placement and a potentially more accurate reading.

• USB digital postal scales typically measure packages in ounces and pounds to account for shipping services whose rates are based on small increment weight changes (First Class Mail rates, for example, are based on ounce-to-ounce changes).

Evaluating which USB digital postal scale to purchase

In general, scale prices rise with the weight thresholds they support, so consider your average and maximum package weights when evaluating your scale options. For USB digital postal scales, consider the following evaluation criteria:

• Order volume: If you are weighing less than 500 orders per month, a consumer grade scale is a good option. Otherwise, an industrial scale is the better investment.

• Unit of measure: At a minimum the scale should measure in ounces and pounds. The smallest unit will ensure you aren't overpaying for postage due to the scale rounding up a package's weight.

• Power: Make sure the scale runs on an A/C adapter. Some smaller scales run on batteries, which will add unnecessary cost and hassle in the long-term.

• Brand reputation: Given the importance of weight to postage cost, it is worth investing in a reputable brand or narrowing your options to only those with exceptionally positive reviews. Even a single ounce can cost you hundreds of dollars per month once you have reasonable shipping volume.

Using your USB digital postal scale

Using a USB digital postal scale is fairly straightforward: You turn it on and place the package to be weighed on top of the scale, then the USB connection works with your computer's software to read and automatically enter the package weight outputs.

Barcode scanners

Barcodes and barcode scanners reduce manual and paper-based data entry in the shipping process—reducing errors and discrepancies when picking, packing and labeling. At the most basic level, a barcode involves a symbol (e.g., barcode) that encodes a series of characters corresponding to an order number in your shipping solution or order management system. The barcode scanner scans this symbol and accesses the corresponding order and all related details.

To process bar codes, sellers either place the barcodes on a pick list or packing slip, or they locate the barcodes separately—in close proximity to where the specific item resides—and use a barcode scanner (either handheld or other) to update their inventory management software to indicate that the item has been packed and processed.

The scan result prompts the shipping system to populate that particular order's details to the current screen or step in a process. For example, picked orders travel down an assembly line in bins or boxes for shipping. When the order arrives at the "label" area, the barcode on the packing slip is scanned. The scan registers the order number and allows the handler to weigh the package and have the associated weight automatically populated to that order's details (assuming a USB scale). This eliminates all manual entry in favor of seamlessly sending accurate data to your shipping system.

What to look for in a barcode scanner and in a shipping solution

In eCommerce shipping, investing in a barcode scanner generally becomes cost effective only when you are picking items from a fairly large inventory that requires a lot of organization and space. In this case, the best practice is to use a wireless, non-Bluetooth barcode scanner with a decent amount of range.

At a minimum barcodes save the time—and potential errors—it takes to manually type in an order number. More advanced shipping solutions not only allow the scan to isolate a specific order number, but also to apply shipping rules triggering the automatic purchasing and printing of a label without human intervention. Barcodes and barcode scanners can be extremely powerful in an environment where a single scan can trigger a printed label with very little work or decision making in between. eCommerce sellers might start with simple order-number scans to save typing and then automate more of the process from there.

Look for a shipping solution that allows you to scan a barcode from a packing slip with a handheld or other scanner.

Supplies

No matter how great your technology and service providers, your packages need proper packaging to make it to their destinations. Let's look at the key points to consider when thinking about packaging and supplies.

When to use envelopes

Envelopes are your least expensive option when it comes to package-shipping. They are cheaper to purchase than boxes, they require less material to pack (including packing materials and tape), and they are lighter. Therefore, if it is safe to use an envelope – based on the nature of the product being shipped - you will save on both packing and weight-based shipping costs. A lot of eCommerce sellers favor poly mailers providing additional flexibility regardless of shape.

When to use boxes

Choose a box to ship all fragile items, or items that are too large to fit in an envelope. Free boxes from major carriers are typically medium to large in size and generic in shape; USPS tries to combat the lack of smaller-box options by offering unique free boxes like the Priority Shoe Box and the Priority Game Board Box. Use free boxes if their capacity, dimensions, durability, and protective properties are sufficient for the items you ship.

If free boxes don't work for you, consider custom boxes, which are typically needed for very small, very large, and uniquely shaped items, as these box needs are not as well-supported by carriers' free supply inventory. Dimensional weight is the factor that typically drives the decision to go with custom boxes. If you ship UPS or FedEx, having wasted space inside of your box can lead to huge cost increases across the board. If you find that dimensional weight rules are inflating the cost of shipping your packages beyond what you'd pay based on weight alone, it's time to look into custom boxes and weigh their cost vs. what you can save on dimensional weight charges.

Packing materials

Basic packing material you'll want to have on hand include two-inch box tape, packing peanuts, bubble wrap and envelopes, poly mailers and boxes. While poly mailers and boxes comprise the outer packaging of your shipments, packing peanuts and bubble wrap are recommended inside to secure any item(s) that may have room to move and thus are at risk of being damaged.

Having your products arrive intact can save you replacement costs and may help you avoid negative reviews on your selling site. If the packaged item is fragile, then it should follow the usual fragile-package guidelines, including proper protection and labelling.

Here are the basic steps to follow to ensure the safe arrival of your more fragile packages:

- Wrap each item individually and securely in bubble wrap.
- Tape closed any open seam of the bubble wrap.
- If you have more than one item, stack the items and wrap the entire stack in another layer of bubble wrap.
- Again tape closed any open seams.
- Fill an appropriate-sized box with enough packing peanuts to completely cover the bottom of the box.
- Place item(s) inside and fill with packing peanuts until the item is secure but not smashed.
- Close the box and secure all seams with two layers of tape.
- Write or rubber stamp "FRAGILE" on the box on all sides.

If you or your customers are concerned about sustainability, consider "green" packing materials that combine one or more of the following features: (1) they're made of recycled materials; (2) they're recyclable in standard residential recycling streams; (3) they're biodegradable. Of course, these materials typically cost more and can drive up your shipping costs, so if sustainability isn't so important to your customers that they are willing to pay more, you will likely either have to accept lower profits to keep your shipping costs competitive or accept lower demand due to higher shipping costs you pass through to your customer.

How Do I Decide Between Available Shipping Solutions?

Choosing the right shipping platform is no easy task; there are dozens of options, each with its own advantages and disadvantages. Throughout this guide we've presented the key considerations in terms of capabilities, processes and solutions/services you need to consider when setting up or improving your shipping ecosystem; addressing all the questions raised in the preceding sections will help you determine the capabilities and processes your shipping platform will need to support. To help you find the right platform for your business, we've prepared the following vendor evaluation tool. It covers all the capabilities we've discussed, so you can use it as a checklist when evaluating potential solutions. To use the vendor evaluation tool, download a copy from http://shippingeasy.com/evaluation-form/

1. Create a "Vendor Score" column for each vendor you are considering.

2. Determine which capabilities are relevant for your business, and flag them in the "Applies to my business" column.

3. For each applicable capability, use the "Vendor Score" columns you created to assign a value for each vendor, with "3" indicating the vendor is a perfect fit, "2" indicating the vendor is a medium fit, and "1" indicating the vendor is a poor fit for that capability.

4. Sum each vendor column to get an initial idea of which is the best fit. You can then look more closely at the capabilities each vendor did well or poorly on to refine your analysis.

DOWNLOAD THIS TOOL

Capability	Applies to my Business? (Yes/No)	Vendor Score 1 = Low 2 = Medium 3 = High	Notes
Multiple store support			
Multiple fulfillment location support			
Drop ship support			
Supports current and anticipated future order volume			
Support for computed weight			
Supports my pick list requirements			
Supports my packing list requirements			
Supports my shipping label requirements			
Integrates with my selling platform			
Integrates with my accounting software			
Integrates with my inventory management software			
Integrates with my customer management software			
Integrates with my product data management software			
Integrates with my order management software			
Integrates with the carriers I use			
USPS pricing discounts			
Insurance discounts			
International shipping			
Delivery service levels			
Split	Combine orders			
Customer address book			
Ship to multiple addresses			
Ship to alternate address			
Specify signature required/not required			
Free returns			
User access controls			
Analytics and reporting			
Printer support			
Scale support			
Scanner support			
Rules engine			
Security			
User interface			
Customer support			
Cost			

How ShippingEasy can help
We can make your shipping easy

ShippingEasy is the premier shipping platform for eCommerce retailers. Whether you ship 5 packages per month or 50,000, we can help you improve your customer experience and increase your ROI on shipping operations through our industry-leading suite of capabilities, which include:

• Access to the lowest USPS rates available—up to a 46% discount to normal rates
• Integration with all major eCommerce platforms, shopping carts, marketplaces, and carriers
• Support for multiple stores and fulfillment locations, international selling, offline orders, and returns processing
• Support for real time or batch order synchronization with selling platform (order download and status updation)
• Predictive analytics teach the machine to recognize shipping patterns and make shipping decisions on your approval
• World class support with full set-up and configuration included plus ongoing help from 7am-7pm CST

To learn more, request a demo, or sign up for a free trial, visit
www.shippingeasy.com, **or give us a ring at 1-855-202-2275.**

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ShippingEasy provides the simplest online shipping app for online sellers. Its cloud-based shipping solution offers the cheapest USPS postage rates and the ability to plug in existing UPS/FedEx accounts. ShippingEasy integrates with leading marketplaces, shopping carts, and ecommerce platforms to allow order fulfillment and tracking data to populate in real time across all systems. The ShippingEasy software downloads orders from all selling channels and automatically maps custom shipping preferences, rates and delivery options across all 3 carriers. A genuine multi-carrier shipping program via a single login on a single screen. Users can print pick lists, customized packing slips and custom shipping labels without having to export data or cut-and-paste information into other applications. Tracking numbers and delivery status are auto-populated in both ShippingEasy and back to the merchant's stores enabling easy buyer communication. ShippingEasy appreciates the complexities of the physical environment and offers rules and automation to eliminate errors and minimize time spent shipping.

ShippingEasy offers an Enterprise solution for large sellers with a dedicated account manager. Full set-up, configuration and training included for unlimited channels and unlimited users.

Started in Sydney, Australia and now happily headquartered in Austin, Texas.