

# Transport Management for E-Commerce

## Parcel Shipping

**How to reduce costs and yet provide WOW experience to Customers**



Ecommerce boom has helped retailers widen their customer reach, increase sales and thereby revenues and build brand identity around their products. However, these phenomenal benefits come with strings attached towards soaring shipping charges along with shipping inefficiencies ultimately leaving the retailer with thin profit margins.

One of the best ways to tackle this problem is to deploy unique parcel shipping plans. A TMS especially designed to handle e-commerce parcel shipping must be an integral part to this plan. A system that is comprehensive enough to manage shipping contracts, SLAs and processes as well as providing in-depth analytics is essential to achieve cost control and at the same time maintain quality of services.

# E-commerce Shipping Constraints

Volumes of moves across far distances with added pressure of squeezed timelines exposes the retailers to significant challenges. These challenges need to be understood beforehand and measures should be in-place to tackle constraints as below:



Last Mile delivery



Visibility



Returns



Payments



Omnichannel



Costs



## Last Mile delivery

In today's world the definition of parcel as well customer service has completely changed. Parcel today includes items like furniture, bicycles, appliances which includes services of installation & assembly as well. Customer service and satisfaction is longer limited to on-time delivery. It has encompassed choosing when, where, and how the customers want their purchases delivered.



## Visibility

The era of tracking codes doesn't satisfy consumers anymore—they want real-time visibility over their product's delivery journey. Speed of delivery has to be accompanied by visibility of shipment journey to satisfy customer expectations, for the retailer to retain its customers.



## Returns

Returns management is very crucial to e-comm shipping. Apart from shipping cost, unexpected returns complicate warehouse operations and inventory management, further adding up per-order processing costs. To identify the best method for recollection from customers requires deep thought from the retailer's end. 'No questions asked return' practice is what customers have got used to in present times. it is imperative for a retailer to devise a strategy which recovers its returns handling cost but at the same time does not meddle with customer's idea of free of cost and efforts returns.



## Payments

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## Omnichannel

In omnichannel, many facilities are required to perform all types of fulfilment within a defined location. And while most retail operations already fulfil e-commerce orders through a mix of in-store and direct-to-consumer fulfilment, an omni-channel strategy also involves introduction to added and alternate order fulfilment methods such as buy online, pick up in store (BOPIS) and/or stores as distribution nodes. These new channels can not only complicate operations but also pose a difficulty for a retailer to assess his inventory levels and optimize his order fulfilment plans.

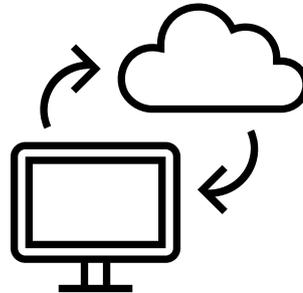


## Costs

Complex freight agreements, sloppy language, erroneous math, and the sheer volume of moves makes it impossible for a retailer to gauge shipping cost accurately and factor it successfully with product cost. Lack of enough shipping partners without compromising on quality of services also plays a major role in keeping the shipping costs higher.

# A TMS for Parcel Shipping

## Crucial for Cost Control and Efficiency



Technology that is especially designed to smoothen the complexity of multi-directional e-comm shipments is essential to achieve customer's ever rising expectations bar and at the same time control costs and efficiency.

A system which automates and regulates order processing, monitoring, and controlling, also capable of handling e-comm model's specific shipping needs including payment systems, delivery systems and returns systems has to be in-place.

**E-Commerce businesses to have a TMS which acts as an Extended “Logistics Hand”!!**

A TMS for e-comm order fulfilment needs to be designed keeping in view the probability of growing beyond boundaries, allowing retailers to start at a convenient size and scale up with technology ready to support.

### **With the right technology retailers should:**

- ❖ Deal seamlessly with multi-carrier systems. This would include multiple carrier contracts, documentations, notifications, rates—while also increasing the retailer’s capacity to on-board new services quickly.
- ❖ Have centralised shipping processing and data collection and retrieval. Detailed data analytics gathered around shipping processes to gain actionable insights must be essential for the system to generate.
- ❖ Automate processes right from placing the order to paying off freight invoices, without loss of audit trail.
- ❖ Achieve higher on-time delivery rates, enable proactive customer communications regarding delivery, and automate the returns process.

# Efficient Shipping Solution for Parcel Shipping in E-Commerce Logistics

The best TMS for parcel shipping solutions need to be evaluated and considered in detail, often with specific shipping requirements. It is essential to build a list of evaluation criteria that accounts for their specific shipping environment and business goals before zeroing in on a solution provider. Here is a checklist of feature to consider before adoption:

- ✓ Large carrier network access
- ✓ Open Platform
- ✓ Easy integrations
- ✓ Real-time updates
- ✓ 4<sup>th</sup> generation control tower
- ✓ Scalable
- ✓ Secure
- ✓ Multi-modal support
- ✓ Pre-during- post shipping supports