

Rakuten
SUPER LOGISTICS



2021

eCommerce Shipping and Fulfillment Checklist

www.rakutensl.com



2021 eCommerce Shipping and Fulfillment Checklist

Business was booming for many eCommerce companies in 2020. Although the orders were pouring in, these retailer's shipping and fulfillment strategies couldn't keep up. As a result, many stores ended up with delayed packages, inventory miscalculations, and angry customers. This checklist will help you kick-off 2021 the right way and leave your shipping and fulfillment mistakes in the past.

Let's start with some major questions you should be asking yourself.

- How much do I charge for shipping?
- What is shipping going to cost my business?
- How am I going to ship my products?
- Where will I be holding my product?
- What about packaging & shipping labels?

To answer these questions, you need to look deeper into the logistics methods you are currently using. Look at what is performing well and what needs to be improved. This will help you better understand how much you should spend and avoid repeating shipping mistakes in the new year. Let's start with your options for eCommerce warehousing.

Decide on Warehousing

Whether you choose to use in-house fulfillment or outsource to a 3PL, you want to ensure you have enough room for all of your inventory. From holiday to everyday, your warehousing space should safely store all of your merchandise and give you room to grow.

Self Storage is ideal for businesses just starting out with limited inventory. Many eCommerce retailers start their businesses right in their living rooms. Once they have created a customer base, they may move to a garage or self-storage unit. The downfall of this method is everything falls on the business's shoulders. You will be solely responsible for keeping track of your product as it goes on and off the shelf.

Outsourced Fulfillment is the best option for medium to large eCommerce businesses. These businesses do not have enough room in self-storage spaces to house all of their products and accurately fulfill them. Warehousing with a professional logistics company can give your business infinite room to grow and access multiple warehouses. This way, your products can be closer to customers and save you money on shipping costs. Additionally, you will have professionals on hand to manage SKUs, pull items on and off shelves, and ensure all of your merchandise is safely stored.

Whichever type of space your business uses, ensure you have enough space to store all of your products and fulfill and ship orders efficiently. Now, let's take a look at eCommerce shipping options.



Choose A Shipping Option

Speedy shipping is a big deal for customers. With 52% of consumers wanting next-day delivery, your shipping method should meet these needs. Let's start with the three major shipping options eCommerce sellers are using.

In-House Shipping is a common business model for many online retailers. Similar to self-storage, business owners are responsible for taking care of shipping needs on their own. From printing labels to dropping off at the post office, you will be responsible for getting orders into the right hands. This model can feel like it gives you more control over your operation, but it requires extensive knowledge and resources that you may not be able to afford.

Dropshipping is another popular option new eCommerce businesses use to get started. In this model, you rely on your manufacturer to fulfill and ship orders out to customers. You work as the middleman to gather the requests and input the orders with the manufacturer. Although it can be a great way to test the eCommerce waters, it may not be a reliable option long-term.

Outsourced Shipping is the ideal option for eCommerce businesses. Not only do you have additional staff to assist with packing orders, putting on labels, and distributing to carriers, you also have access to discounts that in-house shipping doesn't offer. Professional shipping companies like Rakuten Super Logistics have partnerships with national carriers and can help your business cut down on overall shipping costs. You'll also be able to deliver to your customers faster by using nationwide shipping facilities.



The growth of your business in 2020 will help you determine which of these methods is best for the new year. Take a look at what you were using in the previous year, identify which shipping errors you had, and decide how to improve. You should also consider how much you charge your customer.



Free Shipping can determine whether a shopper chooses your store or a competitor's. 83% of consumers say free shipping would make them more likely to shop online. Unfortunately, it can be difficult for some retailers to offer this option to shoppers. When offering free shipping, you're either eating the entire shipping cost or increasing your prices to make up for it. Despite these faults, the demand for free shipping has no signs of decreasing. If you could not achieve free shipping options in 2020, consider which shipping method will help you change that in 2021.

Select Your Fulfillment Options

Picking and packing are a huge part of fulfillment. The more efficient both are, the faster you can get orders out, the more money you'll save, and the happier your customers will be. Let's start with packaging.

Custom Packaging is important for many retailers and shoppers. 40% of shoppers come back to a business if they have custom packaging. Unfortunately, custom packaging can be very costly. The average customization costs anywhere from \$5 - \$25 per box. Add the extra time it takes to put those special touches and you've already lost money.

Basic Packaging is cost-effective, and you can still make your packaging an experience without breaking the bank. Small details like thank you cards go a long way. However, the most important part of your packaging is not the appealing appearance. You should be more worried about protecting the product inside. Focus on using a protective filler in your shipping container to avoid damaging your merchandise during its journey to your customers.

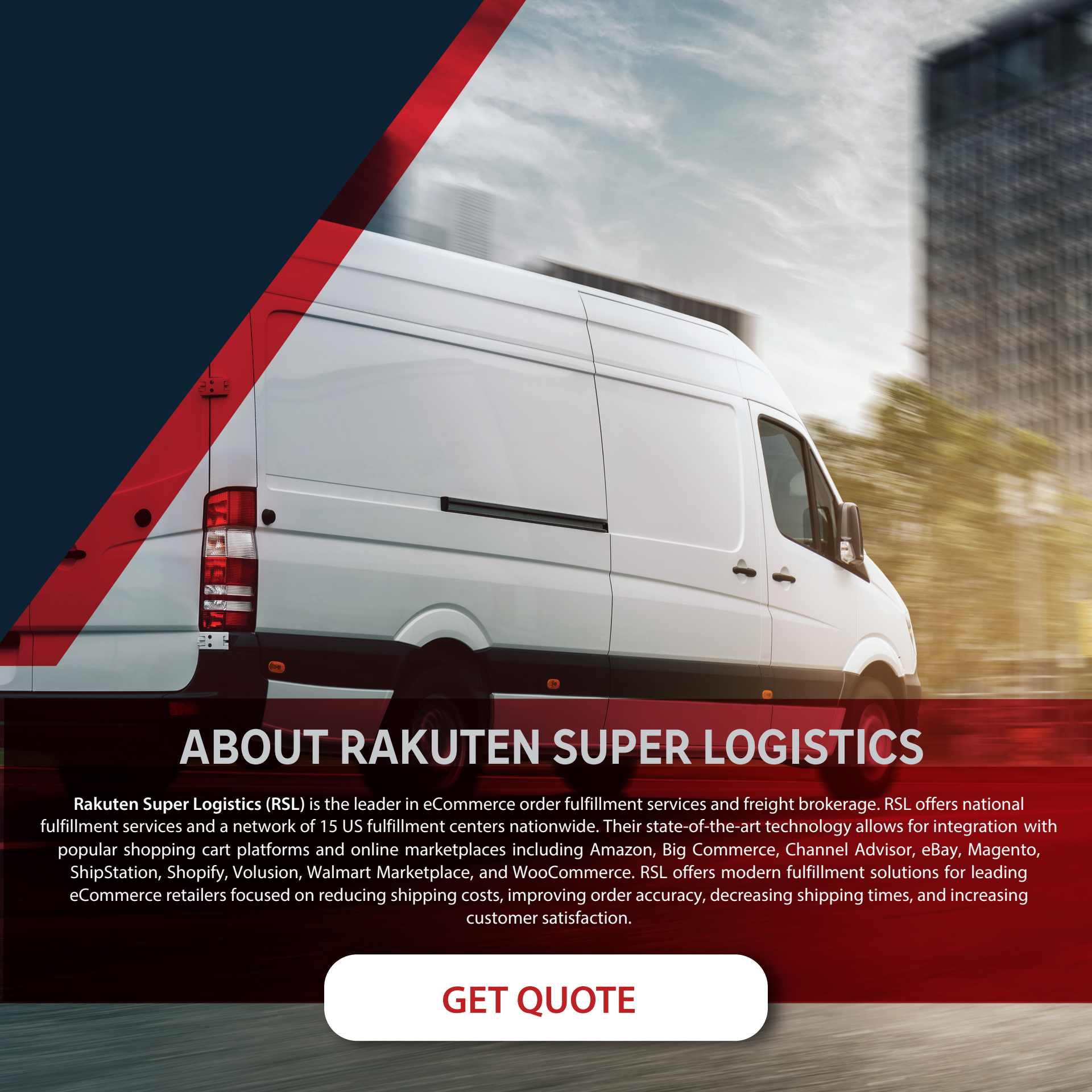
In addition to choosing the right packaging options, you also need to decide how your orders are picked.

Basic Picking focuses on choosing one item at a time. Whether using in-house or outsourced fulfillment, this method requires the picker to physically go through your storage area and take items off the shelves one by one. Although this ensures accuracy, it is not time efficient and will not work for high volume businesses.

Batch Picking is a better option for eCommerce retailers with a large number of orders. Like basic picking, this process still involves pulling one item off the shelf at a time, but it supports filling multiple orders simultaneously. Generally, this involves 4-12 orders, depending on the product. After picking, the items are separated into their respective packing stations. This picking option can save you time and labor costs but will be most efficient when performed by a shipping professional.

Making the right decisions regarding your warehousing, shipping, and fulfillment will help you improve your logistics and continue growing from your previous year's success. Outsourcing with a reliable shipping company like Rakuten Super Logistics will help you achieve 100% order accuracy, reach your customer faster, cut your shipping and fulfillment costs and infinitely scale your business.





ABOUT RAKUTEN SUPER LOGISTICS

Rakuten Super Logistics (RSL) is the leader in eCommerce order fulfillment services and freight brokerage. RSL offers national fulfillment services and a network of 15 US fulfillment centers nationwide. Their state-of-the-art technology allows for integration with popular shopping cart platforms and online marketplaces including Amazon, Big Commerce, Channel Advisor, eBay, Magento, ShipStation, Shopify, Volusion, Walmart Marketplace, and WooCommerce. RSL offers modern fulfillment solutions for leading eCommerce retailers focused on reducing shipping costs, improving order accuracy, decreasing shipping times, and increasing customer satisfaction.

GET QUOTE