



How To Turn SMB Shipping Challenges Into Opportunities

As consumers continue to give preference to online shopping, online sales are seeing steady growth each year.¹ For many small-to-medium-sized businesses (SMBs), this consistent growth presents valuable opportunities. But without the right knowledge and tools, these opportunities can look a lot more like challenges for SMB shippers.

While it may seem difficult to compete with larger companies, there are several ways that SMBs can leverage the current state of the industry to enhance their shipping processes, maximize customer satisfaction and improve their bottom line.

Read on as Unishippers outlines everything you need to know to turn your biggest shipping challenges into your greatest opportunities.



CHALLENGE #1:

Shipping costs and fees are on the rise.

It can't be helped: shipping costs increase over time. Major carriers tend to increase their rates each year to combat inflation, fuel costs and rising transportation expenses. While larger businesses often gain access to discounts, SMBs are left to navigate increasingly high base rates all on their own.

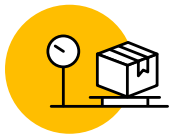
With the rising expense of doing business, it can become difficult to meet customer expectations. After all, 75% of online shoppers expect free shipping — even on orders under \$50.² For SMBs, this can be a tough ask.

OPPORTUNITY:

Reduce the impact of rising costs by streamlining your shipping strategy.

By improving your [freight](#) or [small package](#) shipping strategy from every angle, you can start to reduce the impact of high shipping costs and create a bigger budget for customer satisfaction.

Here are some things you can do to create a strategy for combating the impact of high shipping costs:



REDUCE THE WEIGHT OF YOUR PACKAGE

While heavier shipments may only cost a few additional cents per package, it adds up. Using lighter shipping materials and utilizing every inch of space can help you reduce shipping costs. For instance, choose a pallet or box that is appropriately sized for your shipment. Extra space costs money!



AVOID UNNECESSARY FEES

Surcharges and [accessorial fees](#) are common hurdles in the shipping industry. Making sure your shipments follow all carrier instructions will greatly reduce your risk of incurring fees along the supply chain.



USE FLAT RATE SHIPPING WHEN POSSIBLE

[Pricing for small package shipments](#) is always changing. Many SMBs look to flat rate shipping options for predictable shipping costs.



STAY ON TOP OF RATE CHANGES

Knowing when rates change can help you plan ahead. Typically, routine rate increases are implemented every January, and they may happen throughout the year as well.

SOLUTION:

Work with an experienced third-party logistics (3PL) provider to gain access to expert shipping advice and negotiated rates.

Third-party logistics providers like Unishippers leverage the combined buying power of thousands of SMBs to bring you competitive shipping rates that are normally only available to larger businesses. While increased shipping costs are inevitable in this economy, you can still take advantage of your available opportunities. Gaining the benefits and insights that 3PLs have to offer is surely one of them.

CHALLENGE #2:

Items are lost, damaged or stolen during shipping and handling.

More than a third of customers (37%) are unlikely to shop with an SMB again if they experience issues during the shipping process.³ 44% of SMBs reported reputation damage from negative reviews. That means customers are likely to take their business elsewhere if you don't have a plan in place for lost, stolen or damaged shipments. Even if you have loyal customers, issues during the delivery process can have a negative impact on your bottom line. In fact, 50% of SMBs reported financial loss due to shipping replacements, according to the same study.

OPPORTUNITY:

Have the right safeguards in place to keep customers' orders – and your business's bottom line – protected.

Many SMBs believe that [carrier tariff rates](#) protect the shipper in the event of a lost, stolen or damaged package. In reality, they only cover a limited dollar amount — and that's if the carrier is proven to be at fault. Shipping protection, on the other hand, provides coverage of the full value of lost or damaged packages.

You're not alone!

Selecting the right shipment protection can be a challenge. Having a 3PL to [help you through the process](#) will make matters much easier.



SOLUTION:

Protect your goods and your bottom line with shipping shipment protection.

By investing in shipment protection, you can give your customers the delivery experience they expect and deserve without breaking the bank. Not to mention full coverage can help you spend less time dealing with parcel or freight shipping complications and more time growing your business. Small package and freight InsureSheild™ shipment protection options through UPS Capital® offer the following benefits:



Affordable coverage that reduces the financial risks of shipping.



Flexible coverage that applies to UPS® small package shipping or any freight carrier you choose.



Simple claims process with efficient resolution and settlement.

CHALLENGE #3:

Forces beyond your control are causing supply chain setbacks.

Supply chain disruptions are disproportionately affecting SMBs, with delays in shipping making it difficult to keep operations running smoothly. The problem is that “only 25% of a typical company’s end-to-end supply chain is being assessed in any way for risk.”¹² When emergencies — such as weather disruptions — strike, the last thing you want is for your business to be unprepared.

OPPORTUNITY:

Gaining visibility into your supply chain and keeping an open line of communication with your carriers will allow you to provide live updates for your customers.

In a 2011 Aberdeen Group survey of 149 companies, 63% of respondents indicated supply chain visibility as a high priority area that needs improvement.⁶ And while it may seem like you have limited access to your supply chain, there are measures you can take to change that. Communicating with your carriers can build rapport, foster trust and keep you at the top of their list when there’s an update on your shipments. In addition to fostering carrier communication, you’ll want dependable analytics and shipment tracking.

Ready to get started?

Learn more about [myUnishippers™](#) and how you can use it to optimize your supply chain.



SOLUTION:

Use technology to improve supply chain visibility and optimize your shipping processes.

93% of customers see real-time help — before, during and after their purchase — as being beneficial during their online shopping journey.¹¹ By incorporating tracking visibility, your business is able to provide answers and assistance when customer questions arise. With a transportation management system (TMS) like myUnishippers™, you can quote, book and track your freight and small package shipments all in one place.

HERE'S HOW UNISHIPPERS' TOOLS AND TECHNOLOGY CAN IMPROVE YOUR OPERATIONS:



Supply chain tracking.



Transportation management.



E-commerce integration.

CHALLENGE #4:

Due to customer service efforts by larger retailers, customer expectations are higher than ever before.

Customers are the number one priority for most SMBs. With the growing e-commerce market, it's become increasingly difficult to maintain loyal customers. Rate fluctuations, delays and damaged shipments are outside of your control — yet they all impact your customer perception of (and loyalty to) your business. The reality is that roughly 53% of consumers feel that brands fail to meet their experience standards.⁷

OPPORTUNITY:

Understand the needs of your customers to provide a better — and more thoughtful — experience than your competitors.

90% of Americans use customer service as a factor in deciding whether or not to do business with a company, and 58% will switch companies after having a poor customer service experience.⁸ Providing great customer service can ease the tension that shipping issues and delays may cause — and it's a great way to learn more about customer needs. While you may not be able to solve every problem for them, you can at least communicate with your customers throughout the process.

Did you know?

80% of online shoppers prefer free over fast shipping.³



SOLUTION:

Adjust your strategy to manage (and exceed) customer expectations.

Once you understand the needs of your customers, you're ready to implement a customer [satisfaction strategy](#). Here's how you can keep your customers happy:



Be transparent.

Being honest with your customers can build trust. Keep your customers updated on the changes in the economy and industry.



Know your industry.

Having a masterful understanding of your industry can help you know what to offer your customers in order to stay ahead of the competition.



Reward loyalty.

Offer things like discounts, free shipping and extra services to show your customers that you appreciate their commitment.



Communicate.

Keep your customers up-to-date on their order and shipment. Then, once the shipping experience is complete, ask for feedback. Take their responses into consideration to improve the experience for future customers.



Anticipate their needs.

This one is made possible by first knowing your industry and communicating with your customers. The key to satisfying your customers is anticipating their needs before they arise, and implementing benefits accordingly.

CHALLENGE #5:

Driver shortages and embargoes are making it difficult for SMBs to navigate the shipping landscape.

While the rise in e-commerce shopping comes with great opportunities for your business, it doesn't come without a price: limited carrier capacity. Between the e-commerce boom, driver shortages and regional regulations, SMBs are struggling to navigate the current shipping industry. Just as you've experienced [peak season](#) as an SMB shipper, you're likely familiar with some of the hurdles that have become commonplace on a year-round basis due to carrier capacity issues.

OPPORTUNITY:

Reevaluate which carriers and services are helping your business thrive.

Freight shippers often overlook cost-effective alternatives for smaller shipments. Conversely, small packages can often be consolidated into one less-than-truckload (LTL) shipment. Now's the time to reevaluate which carriers and services best suit your needs. If you ship bulkier items, it's important to decide if your shipments should be delivered via parcel service or LTL freight shipping. While the best solution may seem obvious, there's much more to consider than size and weight alone. Flexibility with your delivery options can also help you save significant time and money on each and every shipment.

SOLUTION:

Expand your network and consider alternative shipping services.

With Unishippers by your side, you gain access to [75+ national, regional and local LTL freight carriers](#) and [85,000+ full truckload carriers](#) that can help you get your shipments from point A to point B with ease. If you're shipping small packages, you can take advantage of our negotiated rates on a wide range of UPS® shipping services. Reevaluating your approach to shipping can alleviate the pressures of the capacity crunch — and even save you money.



When to use parcel services:

If your packages don't take up too much space, weigh very much or require a lot of special handling, UPS parcel shipping is likely your best option. Parcel shipping tends to be more cost-effective than LTL shipping, so it's always a good idea to see which of your shipments are [eligible for small package shipping](#).



When to use LTL freight services:

If you're shipping items that exceed the standard UPS size and weight limitations, you should consider LTL service options. However, many packages that technically fall under UPS parcel guidelines may be eligible for a more affordable LTL option — especially if you have a high volume of small packages going to the same destination.



When to use truckload freight services:

Full truckload (FTL) is best used for large shipments that fill up an entire truck trailer. Truckload freight is limited to your shipment, which means it won't make any additional stops along the way. This reduces the likelihood of damage and surcharges. When you have enough freight, it's typically the most economical option.

CHALLENGE #6:

Limited carrier options particularly impact smaller businesses.

No matter the size of your business, your customers will expect shipping solutions that fit their needs. As customer demand and shipping volumes continue to boom, freight carriers are becoming increasingly selective with their shippers— and small package carriers may not have the bandwidth to accommodate your special requests. If you have shipments that require special care — such as HAZMAT, refrigerated shipments or expedited deliveries — it can be difficult to find solutions on your own.

OPPORTUNITY:

Build relationships with more carriers to help you bring more shipping options to your business and keep your customers happy.

Having multiple carriers will grant you access to different delivery times, order volumes and shipping options. That means utilizing multiple carriers will help bring consistency and dependability to your business. The reality is that 87% of consumers would be more likely to shop with a business if they could personalize their shipping experience — and 69% are willing to pay extra to do so.¹² Personalize the shipping experience for your customers by offering the following:

- ✓ Real-time package tracking
- ✓ Multiple delivery options
- ✓ Shipment protection options

Know Your Regional Potential

Download [Unishippers' freight carrier service map](#) to find the best options for your business.



SOLUTION:

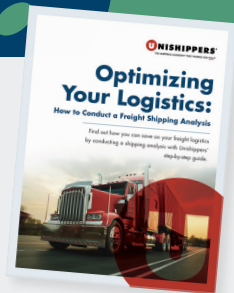
Partner with a 3PL for access to a wider network of carriers and shipping solutions.

By partnering with a 3PL, you acquire the tools, solutions and expert consultants necessary to improve your shipping strategy. In fact, 72% of 3PL users agree that using a 3PL helped reduce their overall logistics costs.¹³ In addition to saving money, you'll gain access to an extensive carrier network of top LTL and FTL freight carriers. And as part the nation's largest non-retail Authorized Reseller of UPS® shipping services, Unishippers gives you access to competitive rates on a wide range of [small package shipping options](#).

SMB Shipping Resources

Unishippers provides SMBs with a library of helpful resources to help them thrive through all their shipping challenges.

Here are a few of our favorites.



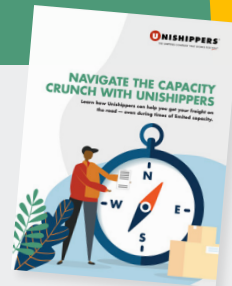
Ready to save on shipping?

Conduct a [freight shipping analysis](#) to streamline your processes and save where it counts.



Shipping small packages?

[See what parcel shipping shipment protection](#)



Navigate the Capacity Crunch with Unishippers

[Download our guide](#) to learn how Unishippers can help you get your shipments on the road during times of limited capacity.



6 Reasons Why SMBs Love 3PLs

Learn why [SMBs are choosing to partner with 3PLs](#) like Unishippers.



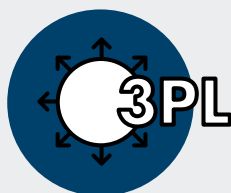
Shipping freight?

[Learn how freight shipping shipment protection can help you thrive.](#)



Your Roadmap to Small Package Claim Success

Having a 3PL to [help you through the process](#) will make matters much easier.



Do you need a 3PL?

[Take our quiz](#) to learn if your business can benefit from a 3PL partnership.



Managing customer expectations

[Read our blog](#) to learn how to handle the most common customer concerns.



Your one-stop solution for SMB shipping challenges

Unishippers specializes in providing custom-fit solutions for SMB shippers just like you. Whether you're in need of freight or small package shipping solutions, our expert consultants are here to give you the tools and guidance you need to succeed.

Contact Unishippers today to learn more.

unishippers.com

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