Stop Losing Money in the Mailbox: 6 Shipping and Mailing Tricks That Add Up

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With ecommerce becoming the driving force in retail, there is an aspect that often gets overlooked in business: Mailing and shipping.

Although mail has been a primary communication method for close to 250 years, it's often seen as an afterthought in today's fast-paced digital communication ecosystem. Many businesses fail to understand that both should coexist and complement each other. Having effective and efficient mailing and shipping operations can improve customer experience for retailers while decreasing business communications complexity.

With the largest companies setting the bar high for fast, cheap delivery, customers increasingly look for retailers who can make their purchases easier. It can all feel very daunting for smaller businesses trying to break into established markets via the web.

We will explore ways to help small businesses transform their shipping operations into an asset rather than a nuisance. Focusing on quick-wins that deliver great customer experiences over time will add up and can fatten profit margins. When properly executed, these tips will help instill a sense of discipline and enlighten you to the benefits of a killer strategy.

Real-Time Tracking is Your Best Friend

A storm delays delivery service. A carrier loses a parcel. Someone steals a package from a porch. These are scenarios that online retailers are all too familiar with. The good news: These scenarios don't automatically spell disaster for your brand, as long as you keep your customers informed and provide a quick response.

Studies have shown that 83% of U.S. ecommerce shoppers believe regular communication with a retailer is a must. Fifty-three percent wouldn't make a purchase if they don't know when a package will arrive. This means you have to provide regular updates on order status. Many shoppers are willing to buy from an

ecommerce site that keeps them up to date throughout the shipping process and offers clear communication.

Make sure you invest in shipping software that allows shipment tracking and provides near real-time customer updates. It could mean the difference between a repeat customer or a one-time sale. Even though a carrier may be to blame for a late delivery, the customer often blames the retailer instead. However, staying on top of things lets your brand shine and turns one-time customers into loyal, repeat buyers.

Managing Costs

While shipping is usually viewed as just a cost of doing business, this shouldn't prevent you from finding ways to reduce those costs. This can help you achieve a successful free shipping strategy or simply prevent you from leaving money on the table.

Comparing carriers and delivery options for each order is step one. For example, domestic deliveries may be more cost effective with a flat rate from one carrier that an international rate from another.

Before selecting a carrier, it's important to determine the box size and weight. Incorrect information can lead to delays, additional costs and impatient customers.

Finally, it's important to track your data. From past shipping invoices and shipping history to customer address information, data provides a view into how shipping impacts your business. Working with a software solution that both allows you to track where money is spent and helps you better spend it moving forward can be critical to ensuring each order is profitable. Using these tips will help bring down your cost of shipping and make your accounting department very happy.

Carrier Variety is the Spice of Life

A common mistake that retailers and ecommerce sellers make is putting all their shipping eggs in one carrier basket. Many companies get overwhelmed by the number of options and services offered. They'll often choose one that they feel works and stick with it.

Comparing rates and the best delivery type for each situation helps you save money in the long run, especially if you offer free shipping. For instance, it may be better to send something for rush delivery internationally with one carrier vs. the one you're already using for domestic two-day orders.

Exploring multiple carrier options also helps you mitigate potential service disruptions. Your orders still need to arrive at their destination regardless of weather, carrier disruptions or other impacting events. Having a platform that can leverage multiple carriers helps you better navigate these challenges with minimal business impact.

Looking up different pricing and delivery options across multiple carriers can be time consuming. A third-party shipping solution can help by aggregating carrier pricing and options into one interface, letting you easily select the best option for your shipment.

Easy Returns Make Happy Customers

Customers return things they buy, even more so with online orders. However, difficulties with a returns process can turn someone who is unsatisfied with your product into someone who dislikes your company.

By making returns as easy as possible, including use of return labels and providing status updates on refunds or exchanges, you'll be better positioned to turn a negative customer experience into a positive one. This can spell the difference between losing that shopper forever or making them into a loyal customer.

Typos Are Expensive

Nobody's perfect. As much as we try to avoid them, errors happen. Of course, it's best to learn from mistakes rather than repeat them, but wouldn't it be great if we could catch them before they cost us money?

Retailers who invest in shipping software with address verification can make this happen. With accurate customer data and address verification built into their shipping software, retailers minimize the possibility of address correction fees if a customer's address is typed incorrectly. These address verification tools spot errors in how addresses are typed and suggest verified USPS addresses. This will save you money in extra address correction fees after a package has been shipped, while also making sure it gets to the right location. Eliminating small human errors within a process saves you both time and money in the long run. Sometimes, it's the small steps that can make the biggest impact.

The Free Shipping Conundrum

Thanks to Amazon, the popularity of free shipping has become the norm for many online customers. This can be a double-edged sword, as the retailer is left footing the shipping bill trying to keep up. A whopping 96% of online customers are more inclined to buy from a website that offers free shipping, according to a Lab42 market research report. Eighty-seven percent said they would purchase from a site that offered free returns. So, how can you satisfy customers while keeping shipping costs down?

The key to making free shipping profitable is focusing on repeat customers. Many retailers may find that this type of shipping strategy doesn't suit their clientele. Test your free shipping strategy by building the cost into the product price, or only offering free shipping for select products. A/B test your conversion rates to see if free shipping positively or negatively affects your bottom line.

Investing in Your Postage Pays Back Dividends

Although Amazon and the other giants often make the headlines, small-to-medium-sized businesses are still the lifeblood of the economy. Nobody starts off as an industry leader. Through patience, hard work and smart investments, SMBs grow into titans of industry over time. Investing in the right areas of your business not only takes money but also planning. A proactive approach in all areas, including shipping and mailing, leads to cost savings that will fuel business growth. By avoiding small errors that add up to big bucks and taking the time to find the right shipping solution for the right price, you can invest in other areas of your business while keeping customers happy.

About Pitney Bowes

Pitney Bowes is a global technology leader that provides commerce solutions in the areas of ecommerce, shipping, and mailing. We offer sending solutions to fit the needs of businesses of all sizes. By removing the complexity of modern commerce with accuracy and precision, our solutions deliver meaningful impact for our clients. For more information, please visit www.pitneybowes.com.