

The three ways shipping and delivery insights will boost your online sales





The need for competitive shipping and delivery has never been greater

The challenges for retailers across Australia and New Zealand are very real. Local headwinds with reduced consumer confidence, combined with international competitive threats from the likes of Amazon and Temu are driving price-sensitive consumers to change their behaviours and more actively seek value.

While online shopping is increasing in both countries, these online pureplay giants are not just attracting shoppers with low prices, but have changed consumers' expectations on the delivery experience. Previously, retailers could get away with "standard delivery" and vague timelines for arrival. Today, shoppers expect accurate delivery timelines, user-friendly tracking and easy returns.







According to Jarden (March 2024), 78% of respondents said the post-purchase experience was either extremely or very important. In fact, so important that 50% are stating they have not ordered a product if the delivery experience was poor.



1 in 2 online shoppers won't return to a brand after a poor delivery experience.

Against this backdrop, it's clear to see the reasons behind the operational investments that international pureplay competitors make into the post-purchase experience through distribution centres, robotics, vehicles and even drivers.

Also, they heavily exploit data to operate their businesses as efficiently as possible and leverage data to prioritise, navigate and win customers.

While Australian and New Zealand retailers have rapidly evolved their online presence since Covid, it's becoming clear that, besides low price points, the post-purchase experience is where eCommerce and marketing teams must invest their time and efforts in order to grow online sales and remain competitive. And, data and analytics is the key to unlock the efficiencies and growth to make it happen.

² <u>Trading Economics</u>, New Zealand, Consumer Confidence

Shippit/ Jarden: Courting the consumer the last mile, March 2024

Overcome the shipping data dilemma

Obsessing over data and analytics is nothing new for eCommerce managers who already sit on a wealth of insight via websites, digital marketing channels, loyalty programs and more.

Accessing and analysing data from the post-purchase stage of the buying cycle is a different story. With a decade of eCommerce delivery expertise at Shippit, we know how challenging it can be to access data, knowing what to do with it and deeply analysing the post-purchase experience end to end. We call it the shipping data dilemma.

- **1. Fragmented data sources:** there's no unified view across multiple carriers and your own fleet (if you have one).
- 2. Lack of clear insights: missing, elusive and unstructured post-purchase data and poor visualisations make it hard for eCommerce leaders and other stakeholders to see how fulfilment and deliveries impact sales.
- **3. Dependency on costly data analysts:** limited ability to draw meaningful insights without expensive and scarce resources and software.

In 2024, this isn't good enough. In order to sell more online and stand firm against the international pureplay competition, eCommerce leaders need actionable post-purchase insights to:



Understand how postpurchase experience drives online growth



Keep your delivery promises to retain loyal customers



"As eCommerce evolves, it's becoming more and more apparent that the last mile is exceptionally important. It's something that can ruin a customer's experience."

Joshua Rich, eCommerce Operations Lead, FREEDOM

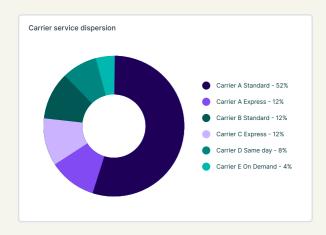


The three ways shipping and delivery insights will boost your online sales

We now know that shipping and delivery data holds a great deal of useful insights for eCommerce professionals. At Shippit we time and again see the value when eCommerce and marketing teams collaborate with shipping and logistics operations to leverage this data to grow online sales, increase customer loyalty and identify efficiencies. By saving time, reducing costs, retaining and attracting more repeat business, you have the opportunity to direct those savings and revenue towards high-converting initiatives such as flash sales or free shipping to attract more sales.

Here are the three ways post-purchase insights and data will boost your online sales:

1. Understand how the post-purchase experience drives online growth





Knowing your **top-performing lanes and locations** accelerates growth by providing shoppers with high-converting delivery options. You can also strategically place your inventory closer to your customers within these areas and sell more by shortening delivery times, with the added benefit of minimising your shipping costs and the impact on margins.

Offer free shipping, but only when it makes sense. Understand the impact of free shipping on your margins and dive deep into the cost profile of your different carriers and locations. Finally, leverage your insights to apply rules that control the allocation of free shipping based on value, weights, dimensions, locations, stores and more.

Understand the performance of your different delivery options in detail and take the analysis a step further by seeing how different deliveries affect order volumes and conversion rates at check-out by analysing your shipping data against other buying behaviour data that you capture.

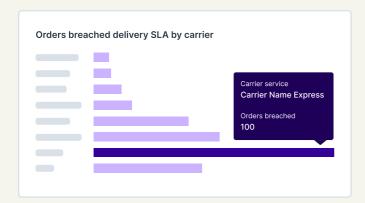
It's critical to **optimise your deliveries during peak season**. Especially in times like this when 4 in 5 Australians are cutting back on spending. Shipping trend analysis allows you to scale carrier capacity where it's needed, tailor your delivery offerings to maximise sales and release unsold inventory by selling all your products online, without constraints such as size or regulations.

Top insights to drive post-purchase online growth

- 1. Know your top-performing lanes
- 2. Free shipping, yes, but only when it makes business sense
- 3. Understand the impact of delivery options
- 4. Trend analysis to optimise your peak season deliveries

2. Keep your delivery promises

to retain loyal customers





With 1 in 2 shoppers leaving a brand after a poor delivery experience, eCommerce leaders need to work with shipping teams to deep-dive into the lead times for order processing, pickup and transit times to **identify and fix any bottlenecks** that cause late deliveries and dissatisfied customers.

ANZ consumers are no strangers to disruptive weather or road accidents that impact delivery timelines. While you can't stop the incidents, insights on failed manifests, pickups, or deliveries allow you to **equip support teams with timely information** to proactively communicate with customers. Or better still, they identify and resolve problems before your customers start asking "Where is my order?".

Insights on shipping and delivery trends over time, where you can track spikes and troughs, allow you to plan ahead for periods of high demand and **adjust carrier capacity to meet your delivery promises**. Equally, track performance by carrier and region over time and identify areas for improvement.

Top insights to retain loyal customers

- 1. Identify and fix bottlenecks before they become problems
- 2. Equip support teams with insights on delivery performance issues
- 3. Adjust carrier capacity for periods of high demand or to improve performance

"Through Shippit, we'll be able to meet and exceed our customers' expectations, with a delivery experience that they'll remember, recommend and return for."

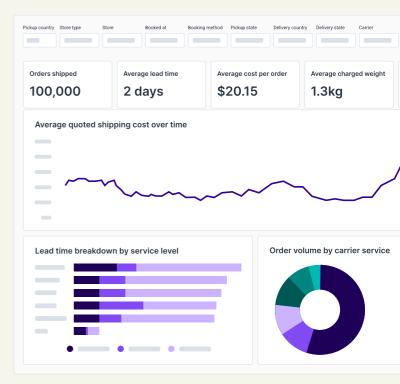
Paula Mitchell, General Manager, FREEDOM

3. Control shipping costs to

fund high-converting initiatives

Taking out costs and tightly controlling the margins across your shipping and deliveries of your online orders will boost your profits. Importantly, it gives greater room for high-converting initiatives such as discounts, flash sales and free shipping in order to increase online sales. Deep and clear insights into your shipping and delivery cost and performance can be the game changer in your discussions with finance stakeholders.

Closely monitor and benchmark the like-for-like cost and performance of your carriers and delivery options. This strategic approach informs smarter carrier allocation decisions and helps you to make more data-driven decisions to ensure the best choices for your business.



Surcharges and misdeclarations can hit your shipping costs and margins hard. Save your finance team from bill shock and prevent surcharges by proactively identifying gaps or errors with weights and dimensions. This proactive management helps maintain control over your margins and reduces unexpected expenses.

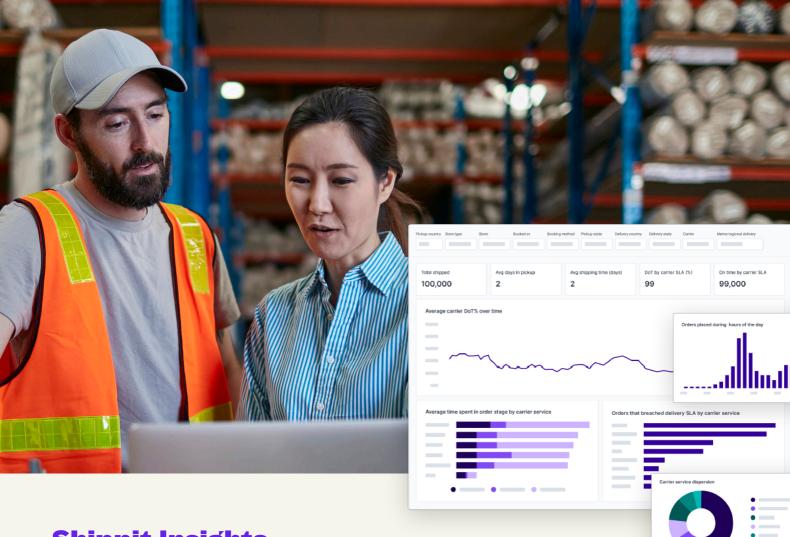
Top insights to take out costs and control your margins

- 1. Make like-for-like comparisons of carrier costs and performance
- 2. Fine-tune your carrier allocation strategy and make more informed decisions
- 3. Proactive cost management to avoid bill shock

"It was a no-brainer for Kmart to choose Shippit based on carrier availability, cost of shipping, automated carrier selection, and speed to market."

Matthew Rule, Digital Product Owner,





Shippit Insights

Turn shipping and delivery into your online business enabler

Shippit Insights is a 360° view of your shipping and delivery operation with dynamic insights and self-serve data access for every stakeholder.

12%

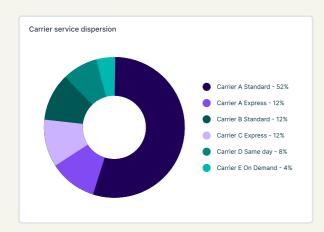
Average savings from Shippit carrier recommendations 250+

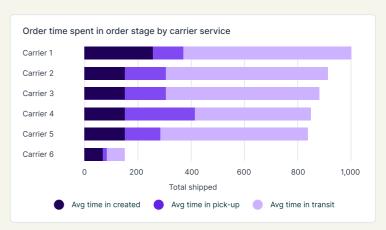
Curated metrics with the ability to filter and drill into details 6

Pre-built dashboards with customisable insights

Shippit Insights

- Like-for-like comparisons across multiple carriers with standardised metrics
- Clear insights with intuitive and customisable reports
- Informed decisions across eCommerce, shipping, and finance teams
- Cost-effective insights for scaling businesses with ready-made dashboards
- Advanced analytics for complex operations with drill-downs and data exports for bespoke analysis





"Accessing data-driven insights, directly within Shippit, allows us to drive operational efficiencies, optimise our online order routing and lead informed carrier negotiations."

Rod Williams, GM Online, BabyBunting

Want to learn how Shippit Insights can improve your post-purchase experience and grow online sales?

Learn more

