

The parcel landscape keeps changing, and shippers face plenty of forces that threaten to disrupt service and send costs even higher.

- · Labor disruption: Rail narrowly escaped a strike at the end of 2022, and now headlines note a potential strike in parcel as labor negotiations continue in 2023.
- Costs: Complex surcharges and additional handling fees add up quickly. Shipping is already expensive - overpaying is not an option you can afford.
- Service: Lost shipments, delays and other breakdowns are not only a headache for shippers they can tarnish your brand's reputation and leave customers with a negative experience.

With those threats in mind, here are five tips shippers can take to reduce prevalent risks:



1. Use a multiple carrier model.

In the event of a labor strike or failure by your primary carrier to pick up and deliver, you must have a backup ready. Make plans with alternate carriers before you need them and conduct trial runs to evaluate how well their services meet your needs. Be sure to secure strong pricing agreements that consider unique rates, charges, terms and conditions.



2. Audit your shipments.

Validate that you are only paying what you should and that invoices are free from overcharges or errors, such as surcharges or accessorials that should not have been applied to your packages in the first place.



3. Evaluate package size to avoid excess charges.

Surcharges for oversize items and additional handling can add up to hundreds of dollars per package. Review your data and run the numbers for alternate scenarios to see if it might be advantageous to break up larger packages and send items in multiple smaller boxes to avoid these fees.



4. Maximize visibility into shipment status.

Late or damaged shipments can hurt the customer experience and tarnish your brand. Consider working with a 3PL provider that continuously analyzes what-if scenarios and monitors transportation solutions so you can act as swiftly as possible in case a delivery is at risk.



5. Stay informed on parcel market developments.

Have your finger on the pulse of the industry as a whole and stay up to date even on other modes. Monitor market movements related to fuel, carrier surcharges and labor issues to ensure that in the event of capacity disruptions or cost increases, your shipping strategies are optimized to weather the storm.

To set your parcel shipping up for success in 2023, contact a parcel expert.



