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OVERCOMING PEAK SHIPPING CHALLENGES WITH DIMENSIONING SYSTEMS

Peak shipping season starts in October and goes into late November and early December. This is due in large part to Black Friday, Cyber Monday, and Christmas. In 2020, record amounts of product were ordered online and distributed all over the world. Consumers spent \$791 billion online and nearly 20% of total retail sales took place online¹. People were confined to their homes due to COVID-19, and many turned to online sources to order items rather than walking into a store.

This year, that momentum is likely to continue but there's a twist that complicates things; the warehouse industry is experiencing a labor shortage while also anticipating high amounts of volume. This puts warehouses, shippers, and distribution centers in a tough spot. Luckily, <u>high-quality dimensioning systems</u> can help overcome these challenges for years to come when implemented properly. In this white paper, we'll discuss how dimensioning systems can help warehouses be more efficient, take on extra volume, provide a superior customer experience, and provide relief from the labor shortage.

PART 1: INVEST IN QUALITY AND EXPERIENCE

Investing in a new product can seem daunting. Every company makes claims asserting that their systems are the best or most affordable. It's important to note that there's a give and take with everything in life. With dimensioning, quality pays for itself many times over in the long run. Quality dimensioning systems last longer, deliver better dimensional data, and reliable during chaotic, challenging times such as peak shipping season.

Built to Last

Much like automobiles, dimensioners that are built to last require a larger initial investment. However, unlike a car, a dimensioning system pays for itself in a matter of months and begins generating revenue for the operation it serves. A system made with industrial-grade materials and durable components can be used for years without a decrease in performance. When a dimensioning system is made from cheap materials and parts, the possibility of it needing to be replaced or repaired at inconvenient times goes up. If a system goes down during peak shipping season, it can cause disruption and make the rest of the operation less efficient.



Better Dimensional Data = Better Decisions

In our world today, data is king. Chances are, you use data to make decisions that best benefit your company and customers. Because data is so valuable, investing in equipment and technology that provides the best possible data is critical, especially as you ramp into the most challenging stretch of the year. The data you get from a high-quality dimensioner is used to increase profit margins, improve space usage, and verify crucial information in the shipping process. By using the best dimensioning system available, you can be confident in your data, and in turn, be confident in your decisions.

Performing Well During Chaotic Times

In the logistics, e-commerce, and shipping industries, there are a lot of moving parts. If one of those parts begins to underperform or completely breakdown, it can wreak havoc on the entire operation which can causing delays, a poor customer experiences, and other costly errors. Those challenges shape customers' views of your company and can stain your reputation. The truest sign of quality in a dimensioning system is the ability to do what it's designed to do even when there's high volume and challenging items.

PART 2: OVERCOMING LABOR SHORTAGE CHALLENGES

The warehousing industry is amid a labor shortage while also dealing with a massive spike in order volume due to upcoming holidays. This puts warehouse operations in a unique position. They have work to do, but not enough people to do it. Luckily, dimensioning systems can help alleviate the burdens of labor shortages by automating processes and/or making existing employees more efficient and productive.

Make Current Employees More Efficient

During peak shipping season, warehouses are understaffed which leads to employees being stretched thin. With dimensioning systems such as the <u>Cubiscan 325</u> or <u>Cubiscan 25</u>, a single employee can collect the dimensional data of any item, regardless of shape, in a matter of seconds, and then export that dimensional data into other software programs such as warehouse management systems (WMS). This boosts the output of one employee to the point where they are doing the work of multiple employees.

Automated Dimensioning Solutions

Other dimensioning systems can attach to an already existing conveyor belt. These dimensioners collect dimensional data on items as they pass under measurement sensors. If an operation is dealing with a labor shortage, an automated system such as the <u>Cubiscan 275</u>, or <u>Cubiscan</u> <u>200-SQ</u> can do the work of several employees using outdated tools to collect dimensions.

Reduce Employee Churn

It's no secret that manual warehouse labor can be hard. Long or odd hours, heavy boxes that need moving, forklifts coming around every corner, and monotonous work at times. With dimensioning systems, employees can do better work with less physical exertion. Companies can't survive without employees so it's important to make their jobs less strenuous.



Retaining employees is a great way to save money. According to a study by Glassdoor, replacing a single employee can cost around \$4000 after advertising, background checks, and paid training². In labor positions, it's possible to fill the exact same position on multiple occasions in a single year. With dimensioning systems, employee longevity goes up along with the company's yearly savings.



PART 3: ENHANCE THE CUSTOMER EXPERIENCE

The e-commerce boom brought faster shipping to online shoppers. Now, customers want things faster, they want them arriving in good condition, and they want to have pleasant interactions with companies they do business with. This becomes paramount during peak shipping season. If a company can deliver a great customer experience amid the chaos from October to early December, they can acquire repeat customers, new customers, and grow their company. They accomplish this by implementing dimensioning technology.

Repeat Customers

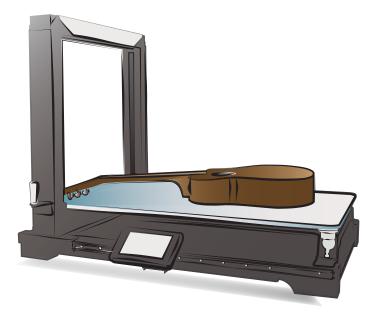
40% of consumers will stop doing business with a company after a poor customer experience.³ Things like late deliveries, damaged products, and less responsive communication all play a role in the customer experience. With a dimensioning system, packages are measured and scanned in record time, the current condition of the shipment is known, and all data collected by dimensioning technology can be exported to a WMS that is already in use.



The acquisition of a new customer costs more than retaining an existing one. Some studies have found that it costs five times more to acquire a new customer than it does to keep a current one⁴. Boosting the number of customers that use your service frequently boosts revenue and allows the company to grow. With these factors in mind, providing a fantastic customer experience should be a point of emphasis; especially during peak shipping season when it's crunch time for companies in the warehousing, shipping, ecommerce, and logistics industries.



In the event of unexpected delays due to poor weather or lack of inventory, customers want answers not excuses. Dimensioning systems give shipping and delivery providers the data necessary to give customers the answers they need. They may be frustrated, but they will appreciate honesty, a definitive answer, and kindness which will make them willing to try again.



Conclusion

The COVID-19 pandemic brought about a record-breaking peak shipping season in 2020. As we round the corner into the 2021 season, things are looking to be hectic once again. This year, however, the warehousing industry is dealing with a labor shortage. With dimensioning systems, warehouses and distribution centers can get ahead and stay ahead. High-quality dimensional data can drive decision making and give employees the information to confidently and honestly respond to customer inquiries. Dimensioning systems can have a ripple effect that positively impacts every piece of a warehouse. The modern dimensioner does more than just measure. It can revolutionize warehousing.

1. https://www.digitalcommerce360.com/article/us-ecommerce-sales/

2. https://www.glassdoor.com/employers/blog/hidden-costs-employee-onboarding-reduce/

3. https://www.statista.com/statistics/815568/customers-who-stopped-doing-business-due-to-poor-customer-service-us/

4. https://www.invespcro.com/blog/customer-acquisition-retention/