

Your Guide to Ecommerce, Shipping & Supply Chain Management During a Pandemic

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A Complete Overview



As we venture into a new lifestyle together and business environment requiring new strategies, at least for a while, it certainly pays to take a deep breath and remember there are going to be many challenges and obstacles beyond our individual and collective control for the foreseeable future. We don't have a clear idea how long things will be different, but it's unmistakable our global way of life is going to be disrupted and significantly altered for a while.

One thing that seems evident as this pandemic unfolds is that shipping, logistics, and fulfillment will be an essential part of stabilizing the national and global economy and maintaining some semblance of our normal way of life.

While our business provides some unique consulting services for product-based businesses of all types on shipping and logistics, this article is simply intended to share some general insights into the current state of the shipping industry during this pandemic and provide any company delivering products to their customers a path forward. Here are some simple strategies to come out of this global pandemic better and help provide local, national and global stability in an uncertain time.

Read on to learn more.

My Background

In the mid-2000s, I trained to become a USMC 5711 Marine Corps Defense Specialist (CBRN), before cross-training as MOS 6672 Aviation Supply Specialist. This gave me a foundational understanding of how the government and public might respond to a global pandemic, as well as the basics of working in a supply chain environment.

While I am no longer an expert in pandemic response strategy, I have spent nearly a decade in supply chain management. Over the course of my parcel-industry career, I have had the opportunity to work closely with many of the industry's leading experts and gained key insights that have now helped thousands of companies in the United States with their shipping and fulfillment. My team at Parcel Consulting and I put together this guide to share our insights into the last decade in shipping and help your company find some light at the end of this tunnel.

Keep Calm - This Will Pass

The seriousness of the Coronavirus should be clear and it seems to have the entire world reacting with a collective speed and uniformity never seen in most of our lifetimes. Unfortunately, or fortunately (depending on your perspective), there's only so much you can personally do to help yourself, your family and friends, and your business

- For starters, follow the CDC Coronavirus guidelines whenever possible and start planning for social and work life from a distance.
- Working from home has its pluses and minuses, coming from someone that has done it for a few years now, but it definitely allows for hyper-focused work if you so choose. I recommend the book Remote by the Founders of 37Signals/Basecamp if this is your first experience working from home. Crowd Work News posted a helpful list of the best books on working from home if you are simply trying to generate some personal income. BookAuthority.org also has a great list of the 11 Best New Remote Working Books to Read in 2020.
- The unique experiences of social distancing and self-quarantines provide some distinct opportunities for those healthy (or just slightly sick) individuals that do work at or own an ecommerce business to dial in many of the less-than-top priorities in your shipping and fulfillment department and throughout your entire business.
- If you're savvy, shipping and logistics just became a top priority and your timeline for implementation is as soon as possible.

Set Proper Expectations with Customers

We've all seen enough random emails about this or that company's Coronavirus plans over the past few weeks. It's generally helped me figure out which companies require an unsubscribe. It has also reminded me of a few things that I definitely needed to order and I placed an immediate order for all of them.

It also made clear the need for simple, straightforward communication about the real challenges that all businesses will be facing in the near term. Take the time to let your loyal customers know about any challenges or delays expected in any aspect of your business and if you have some contingency plans in place.

Even if you don't have an answer from your carriers, suppliers, or partners about their expected delays or specific issues, it will generally pay to craft an update to your active and prospective customers about the specific challenges your business will be facing from the Coronavirus. It's certainly a good time to let them know about any changes to your current operations and the best ways for them to engage and support your business right now.

Remember, this can be an opportunity to simply inform them of expected delays, but it could also be a request for assistance with some particular issue. Your customers, partners, and network might surprise with the resources they can bring to bear.

US Supply Chains Are Running

The US supply chain was designed to meet the regular demand of US consumers, typically just in time. Although shelves may be empty at your local Kroger or Winn Dixie; this will be a short-term issue for most products.

The major supply chains and trucking routes are running as usual, with lighter traffic in most cases. Grocery stores, pharmacies and other essential goods providers have simply not experienced a run like this any time in recent history. There are certainly many products that will be limited in availability as people continue to stockpile them or some companies face delays from international suppliers; but most products you could get one month ago will be available again in the next week or so.

Stores look empty and household staples like dairy or meat may not look fully-stocked for some time. Warehouses are stocked with month's worth of canned goods and nonperishable food products to keep grocery stores supplied. Fresh produce was planted months ago and crop plants will be harvested on Mother Nature's schedule; produce isn't vulnerable to financial markets.

For some products, like electronics, office supplies or even toilet paper, the supply is based on a regular demand. In these cases, we may see short-term supply issues as manufacturers race to keep up with unusual buying patterns.

My advice: Keep two weeks of food and water at home, but there is no need to buy a one-year supply of mac 'n' cheese or toilet paper. Jacob Margolis published a detailed article in LAist on the current supply chain situation and some of the specific issues for consumer goods and products around the country that was helpful for deciding which products might be worth stocking up on. (Have a look; it's a great read!). Generally, this is a good reminder that stocking up past a reasonable amount on most consumer products is not necessary and is placing unnecessary stress on the system and others with basic needs.

Major Shipping Carrier News

CNN posted an article on March 16th about the current operations and plans of UPS, USPS, FedEx and Amazon during the pandemic. Generally, they are all continuing scheduled deliveries as expected.

- The USPS announced they were not experiencing any operational impacts or delays with the exception of guarantees with Priority Express Mail International to China or Hong Kong.
- UPS and FedEx announced continued delivery operations with expected delays in areas with a quarantine in place.
- The Transportation Department's Federal Motor Carrier Safety Administration announced the nationwide exemption late Friday, following President Trump's declaration of a national emergency over the pandemic. The move "will help America's commercial drivers get these critical goods to impacted areas faster and more efficiently," FMCSA Acting Administrator Jim Mullen said.

An important clarification for customers and employees alike at all those businesses that are shipping products and sending/receiving mail on a regular basis was also covered in the CNN article: "The Centers for Disease Control and Prevention (CDC) also said there is very low risk of coronavirus spreading from products and packages, even if they were shipped from China, because of the "poor survivability of these coronaviruses on surfaces."

They were clear in the advice to wipe down and sanitize anything that you reasonably can, but this should make clear that commerce in general will involve many more delivered items than it did even months ago.

For those businesses utilizing (and possibly relying on) Amazon's FBA warehouses and services, you will want to be aware of their recent announcements regarding the limitations they are placing on shipments to their facilities due to the Coronavirus outbreak.

Amazon said until April 5th they will, "prioritize shipment of "household staples, medical supplies and other high-demand products," and, "will focus on prioritizing the reception, restocking and delivery of the essential products that are most in demand from this new uptick in activity from Amazon shoppers. For all other products, Amazon says it has disabled the creation of new inbound shipments for FBA members, as well as for retail vendors (their business-to-business selling platform)."

The writing should be on the wall for all other FBA members, you need to explore all the options available to grow your business and keep your shipments flowing without Amazon.

Full disclosure, I'm a happy and frequent customer of Amazon's. They deliver to my house regularly and they are playing an essential role in the continuing function of the economy. That doesn't mean you'll be able to rely on Amazon for continued growth, or even basic functioning, of your business.

Explore Every Aspect of Your Supply Chain

Just in time supply chains from overseas have obviously been disrupted and the reliability of that international system is clearly in jeopardy. According to the March 16 article, Covid-19: How to manage the supply chain risks, recent estimates from Forrester Research show that "94% of the Fortune 1,000 were experiencing coronavirus supply chain disruptions," and Resilinc, a supply chain mapping and risk-monitoring company, compiled a recent report revealing more than 1000 of the world's largest companies had some portion of their warehouses and operations in quarantined areas in China, Italy, and South Korea.

If nearly all of the largest companies in the world are experiencing supply chain disruptions, you should be able to recognize that your company and all of your competitors are going to be experiencing similar challenges, issues, and delays for an extended period of time. These disruptions can affect everything from consumer goods, all types of electronics, pharmaceuticals, medical devices, life sciences, industrials, heavy machinery, with many other industries experiencing various degrees of disruption or delay.

The good news for the world economy is many international supply chains, most importantly those from China, are back at a high percent of normal daily capacity for manufacturing and shipping, yet every company in your industry is likely facing the same challenges. Many raw materials come from China and some delays were seen in late 2019-early 2020. Recent reports show a drastic slow in the outbreak within and things are beginning to return to normal in most parts of China.

Expand Supplier & Vendor Options

There is an obvious need for US-based businesses to start contacting US-based suppliers and manufacturers if your business is reliant on any foreign suppliers, whether China returns to full capacity in all sectors anytime soon or not. If that option is not readily available or even possible, it is worth exploring backup suppliers and manufacturers, wherever they are available, to reduce your company's reliance on one particular supplier or one particular shipping lane or country.

Even if these suppliers are more expensive, you still should consider opening accounts and placing some initial orders to open the option for secondary or backup suppliers. You might find the improved quality or decreased transit time for new inventory and/or supplies are a better options for your business even in the short term.

There is also an obvious need to create accounts with multiple carriers right now as well. If your business has relied on just one carrier so far, that's frankly amazing (although we see it all the time) and it's well past time to expand your options. For no other reason than peace of mind and the ability to respond better during times of peak demand, you should want to understand all your available carrier and shipping rate options.

We can take that a step further and show you exactly how much the optimal multi-carrier and fulfillment strategy will save your company and you expand your peak season and emergency capacity as a beautiful by-product of the process. We take it even further still and show you all the software systems you can run your optimal multi-carrier and sales channel strategy through. Choice and competition are incredible things when they work together to meet your exact needs.

Leverage New Ecommerce & Shipping Technology

Shipping software has come a long way over the past 15 years. We have some idea what we're talking about at Parcel Consulting, as founders of one of the original multi-carrier shipping software systems.

My team and I have worked with and studied the entire ecosystem of software companies, carrier networks, various suppliers and technology that make up this interesting and extremely relevant aspect of nearly all product-based ecommerce businesses and modern retailers of all sizes. We've worked for and with all the major shipping carriers to deliver creative and tailored solutions for thousands of end shippers.

Shipping Rates Review

Your shipping data leaves plenty of breadcrumbs for experienced shipping and logistics providers, especially those with the flexibility to recommend the best solutions for your company. It's a perfect time to leverage your historical shipping data to get insight into the potential savings from a better multi-carrier strategy.

The simple addition of a carrier/partner like FirstMile, perhaps the most innovative shipping carrier in the US, can realize nearly immediate savings and improve the performance of your current carriers by providing your company with access to their advanced shipping carrier performance data that can be broken down zip code to zip code around the country, and country to country around the world. They help your business make better decisions in your shipping and logistics and reduce your shipping costs with their unique approach.

Parcel Consulting Can Help!

Parcel Consulting was started with a simple mission in mind: Connect end shippers with the best carrier and rate strategy for their needs and the best software options to streamline, automate and improve the accuracy and efficiency of the daily pick, pack, and label-printing process for their business.

We work with many different carriers and software partners, so that we can recommend the best solution based on more than a decade of actual experience with all of these providers. Most people, even those experienced in shipping and logistics, are surprised to find out how many new and innovative carriers and software options exist now.

We have been tracking, comparing and evaluating them objectively for more than 10 years and we freely share our personal review of your shipping needs by simply scheduling a phone call or video conference with one of our experienced shipping consultants. We've been preparing for this for more than a decade and we're here to help.

Let's get to work on the next generation of commerce!



Reduce Your Shipping Costs Today!

With more than two decades of small parcel shipping and software/technology experience, we can help your business with all aspects of your shipping and logistics. The best part is Parcel Consultants works to find your business the best shipping rates and carrier strategy available at no cost to you. Our network includes most of the industry-leading software and technology providers as well. We pair the features and functions your business needs with the best available software.