

Order Placed



The Holiday Hustle: Readying your Supply Chain for Another Record-Setting Season

During the 2020 holiday season, UPS, FedEx and USPS all set records for delivering more packages than ever before. Some of this increase in shipping demand can be attributed to the Covid-19 pandemic. However, 2021 predictions indicate that consumer behavior has permanently changed, and online holiday shopping is expected to continue to grow. Now retailers must find new long-term courier solutions to mitigate expenses and avoid shipping delays.

The 2020 Shipping Delays

Unsurprisingly, the increase in holiday deliveries caused shipping delays. On-time delivery suffered across all major carriers. UPS delivered 85-87% of their packages on time. Meanwhile, FedEx delivered 69-76%, and USPS delivered only 55-58%.

UPS and FedEx were both at maximum capacity before USPS stepped in and took on the overflow. While this solution increased the number of delivered packages, on-time delivery suffered, and consumers were disappointed. Maximum capacity resulted in couriers having more leverage in package priority and pricing.

2021 Shipping Demand Predictions

Although everyday life is opening up again and Covid-19 is starting to affect consumers less, retailers are still expecting a record number of E-Commerce shoppers this holiday season. A recent TrendCandy study of 150 retailers shows that 87% expect this year's online holiday sales to exceed 2020 numbers. In addition, retailers are already preparing for the increase in demand for holiday deliveries by:

- Hiring more staff
- Starting promotions early
- Upgrading technology
- Communicating better with delivery partners
- Improving demand predictions

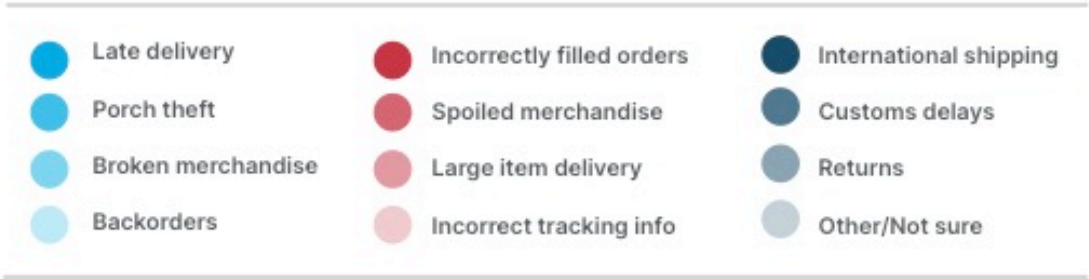
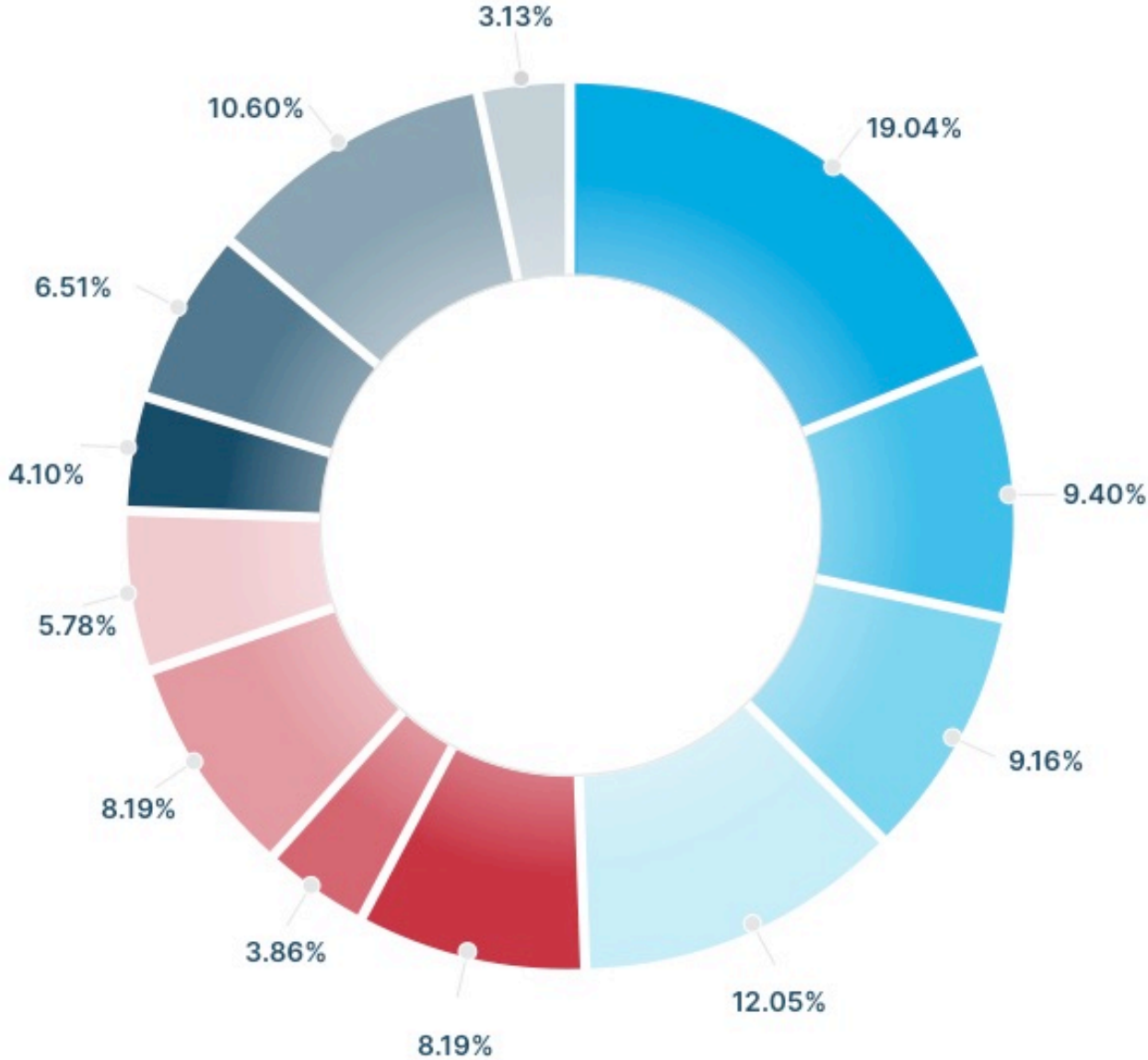
While 89% of retailers expect online ordering trends to continue after the pandemic, only 13% of retailers plan to start their holiday promotions early to flatten their demand curve.

The Law of Supply and Demand

Anticipating record-high demand for shipping couriers, retailers are scrambling. Last year, the law of supply and demand gave all the power to the couriers. According to [The Wall Street Journal](#), UPS, FedEx, and USPS were able to introduce double-digit percent shipping charges to retailers because of the influx of demand. While some companies might have had a fulfillment platform to help find more reasonable shipping methods, most were left with unavoidable price increases.

To avoid a disastrous on-time delivery report, some regional couriers stopped accepting new business from retailers in midsummer 2020. In early 2021, they advised retailers to start making new contracts as soon as April, setting another new industry record. While regional couriers are adding to their capacity, this shift is presumably permanent, and they will always have the upper hand to set their own prices for the holiday season. It might be time to ask yourself, *Are you ready for another record-setting season?*

What are the most common order delivery problems your company experiences?



Common Delivery Problems

Regardless of the industry, time of year or the demand load, there will always be delivery problems. But in 2020, retailers stated their number-one issue was late deliveries, which should be the anomaly, not the norm.

The final leg of the journey often causes late deliveries. Last mile delays are frequent due to poor infrastructure in an area or customer difficulties.

Areas with poor infrastructure can cause deliveries to be stopped or slowed due to traffic. The longer the last mile, the more delayed a shipment could become. In these instances, the last mile delivery team has incorrect addresses, trouble finding the location or does not have adequate parking. While you can't necessarily blame the driver, these common problems could be avoided.

The Final Mile Expense

The last mile accounts for a substantial amount of a shipment's total cost. According to [Business Insider](#), it could be as much as 53% of an entire load. However, the last mile is often not a primary or even secondary focus for retailers. Now that businesses have to compete for couriers, a good scheduling platform could guarantee a quality last mile delivery. In 2021, a company can't be successful during the holiday hustle and bustle without choosing the most efficient last mile delivery service.

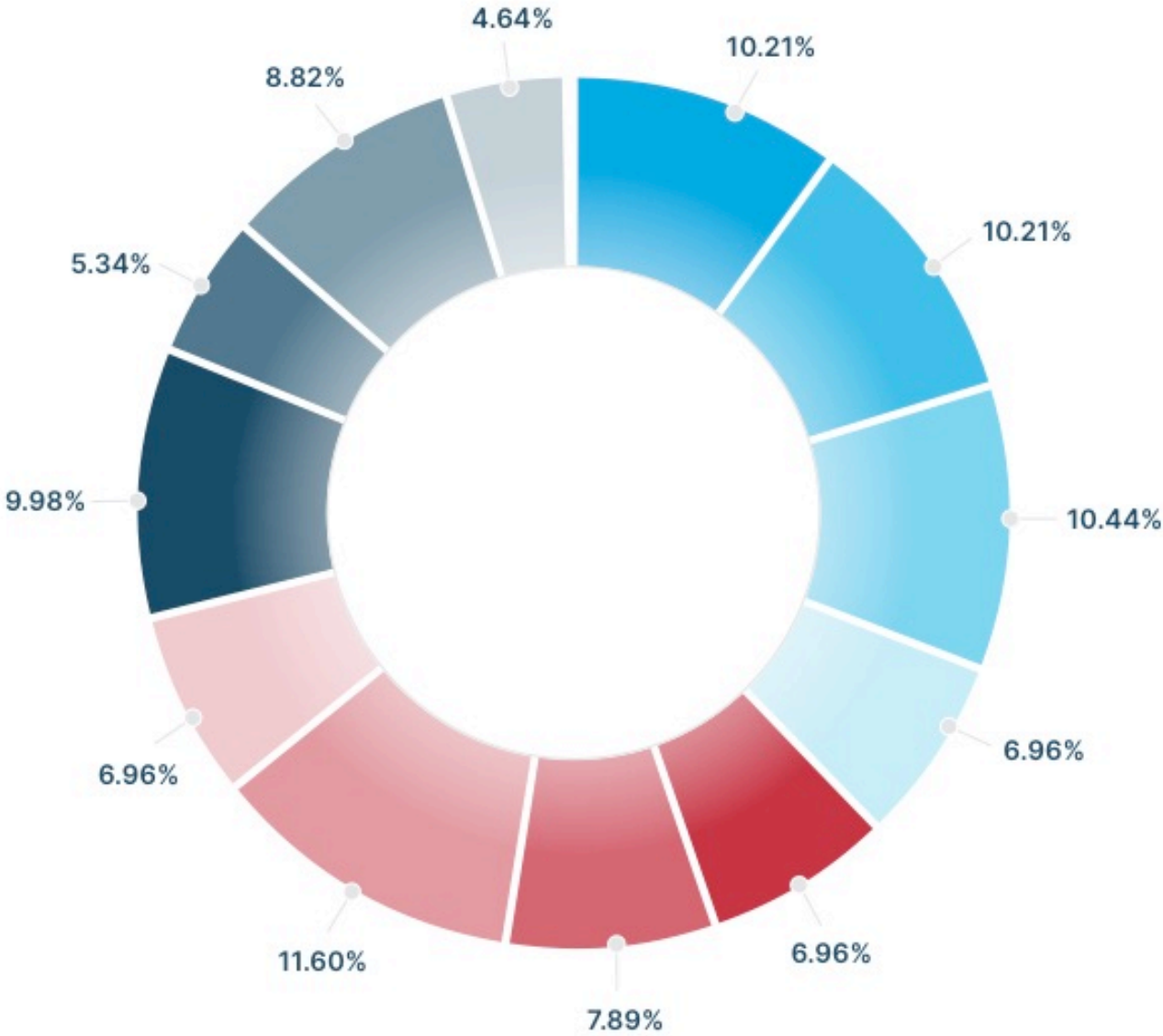
According to TrendCandy, only 30% of retailers are confident their company is prepared to manage last mile deliveries. Meanwhile, 57% are concerned that last mile deliveries will eat into their 2021 profits, and 42% consider the last mile a *significant* logistical problem. Meanwhile, only 12% of retailers currently have complete visibility into their final mile deliveries. What can they do?

The last mile often faces two significant problems: lack of transparency and high costs. For example, when a customer searches a tracking number, they don't want to know the package could arrive between 8 a.m. and 8 p.m. Instead, they want to know exactly where it is and what time it will be at the location. Additionally, retailers want to see where the package is, who has it and when it will be delivered.

Also, to meet increasing consumer demands, last mile couriers drive farther than ever before. The longer the ride, the more time and fuel it takes — that last leg of the trip is more expensive than it needed to be.

To combat last mile issues, most retailers invest in technology to manage order fulfillment, find new fulfillment modes, or add visibility and tracking to their shipments. However, the most efficient way is to implement a fulfillment platform to optimize the *entire* journey, from dispatch to doorstep.

How is your company planning to address the last mile problem this holiday season?



- Technology to manage order fulfillment
- More affective warehouse operations
- Finding new fulfillment modes
- Unifying delivery onto one platform
- Internal and external fleet management
- Real-time rate shop and book
- Full visibility and tracking
- Optimization across Parcel, Final Mile Courier, LTL, and Store pick up
- Complete customer experience management
- Internal and external fleet management
- Logistics and expectations management
- Other/Not sure

The Final Mile Solution

Three essential pieces of a last mile solution must be considered before implementing them with your current system. First, the platform. Is it able to be integrated with your existing software? Second, does it have the courier capacity you need? Lastly, how does the customer experience compare to your competition?

OneRail is the final mile solution that answers all concerns. The platform can easily integrate with an existing system to create a real-time connection across an entire supply chain.

With courier prices increasing, OneRail can provide retailers with the power to choose the most efficient and cost-effective means of transportation. With over 7.5 million drivers, 230 couriers, and 23 partners, retailers have the freedom to choose their delivery service. Lastly, OneRail provides 100% visibility over your fulfillment modes.

How OneRail Works

The OneRail platform works for retailers because of its adaptability. It easily integrates with any existing supply chain, so the system continues to run smoothly. In addition, OneRail uses a fast, intelligent courier-matching equation to minimize costs and increase delivery speed. By tapping into data, the platform even takes into account prior delivery experiences before assigning a match.

OneRail also uses real-time visibility to create trust and predictability between retailers and their consumers. If a problem arises, there is a USA-based customer service team available 24/7 to keep customers happy.

Deliver on Promises

By integrating the OneRail platform into an existing system, the software can produce 35% faster fulfillment times, 70% lower operational costs, 20% lower transportation costs and a 98.6% on-time rate. Additionally, with the crucial exceptions management team to ensure every delivery's success, OneRail provides a top-tier courier solution to retailers — even during the holiday hustle.

ABOUT THE STUDY

OneRail commissioned an independent research agency to survey 150 retail leaders about their plans for the upcoming 2021 holiday. The margin of error for this study is +/- 7.9% at the 95% confidence level. A random sample was taken using Lucid, a trusted global sample provider.

ABOUT THE SURVEY SPONSOR

Headquartered in Orlando, Florida, OneRail is a leading enterprise-level delivery fulfillment company that streamlines final mile workflow to improve dependability, speed and cost. Global brands from retail to healthcare to logistics optimize their supply chain with the SaaS platform's fast, intuitive features: automated order creation, delivery route optimization, smart courier matching and more. With 100% visibility, real-time connection to a network of 7.5 million drivers and 24/7 USA-based logistics management, the 3-in-1 solution is available as a standalone platform or easily integrated with an existing TMS.

To learn more about OneRail's delivery operating system, visit [OneRail.com](https://www.onerail.com).