



MYTH VS. FACT

**CAN A 3PL HELP
YOUR E-COMMERCE
BUSINESS SHIPPING?**



In the e-commerce business shipping industry, nothing stays the same for long.

Technology evolves, consumer expectations rise, and supply chain challenges come from all directions. Through it all, your small to mid-sized business (SMB) must provide reliable products and delivery times if you want to survive and thrive.

Many e-commerce businesses turn to third-party logistics (3PL) providers to handle their shipping operations, while others keep everything in house. Even when your business grows and shipping becomes complex, you may be hesitant to outsource these vital business operations. Common concerns e-commerce SMBs have about using a 3PL typically boil down to three factors: cost, complexity and control. If you're wavering about what to do, it's important to separate myth from fact.



MYTH 1: IT'LL TAKE TOO MUCH FROM THE BOTTOM LINE.

A frequent worry about engaging any kind of third-party assistance is that it may be costlier than managing things in house. You may be wondering whether investing in your own shipping infrastructure may be less expensive than outsourcing to a 3PL.



FACT 1: WHILE IT MAY SEEM MORE ECONOMICAL TO HANDLE SHIPPING OPERATIONS IN-HOUSE, THE LONG-TERM COSTS MAY OUTWEIGH THE BENEFITS.

In fact, one of the primary benefits of using a 3PL for e-commerce shipping is cost savings and that there isn't a fee per shipment. This plays out in several ways:

Shipping rates — Because 3PLs ship high volumes and have a relationship with carriers, they can negotiate discounted rates and pass the savings on to you.

Cost transparency — When you work directly with carriers, extra fees and surcharges can give you a nasty surprise when it's time to pay the bill. With a 3PL, fuel surcharges, residential surcharges and delivery area surcharges will be shown as you book your shipment.

Operational costs — By working with a 3PL, your business can avoid the substantial investments required to set up and maintain your own e-commerce business shipping infrastructure.

Expertise — 3PLs know how to optimize shipping routes and consolidate shipments, resulting in cost efficiencies and reduced shipping expenses. You can also get business insights from your 3PL. For instance, Worldwide Express gives you expert e-commerce shipping guidance tailored to your business at no additional cost.





MYTH 2: BRINGING A 3PL INTO MY OPERATIONS WILL BE COMPLICATED.

If you're already struggling to stay on top of your shipping, the work involved in shifting operations to a 3PL and integrating them into existing systems and platforms may seem overwhelming. You can't afford delays or hiccups in your process.



FACT 2: A 3PL FOCUSED ON THE E-COMMERCE BUSINESS SHIPPING INDUSTRY WILL BE PREPARED TO MAKE YOUR TRANSITION FAST AND SEAMLESS.

A 3PL focused on the e-commerce business shipping industry will be aware of this concern and prepared to make your transition fast and seamless. They'll be able to either recommend e-commerce platforms ideal for your business or that integrate with the systems you already use. Be sure to ask detailed questions with any potential 3PL to make sure they're equipped for your needs.

Worldwide Express, a UPS shipping partner, will pair you with handpicked, top-tier e-commerce shipping systems that can help you manage and ship online orders with ease. We can also integrate with most pre-existing ERP systems and shopping cart solutions. Our experienced shipping consultants will support you throughout the transition and help you navigate any software questions along the way.



MYTH 3: I'LL LOSE CONTROL OF A KEY PART OF MY BUSINESS.



Another argument against using a 3PL is the fear of giving up some of the control you have over your shipping operations. You might think that outsourcing transportation will result in a loss of visibility, making it harder to manage orders or respond to changes.



FACT 3: WHILE IT MAY SEEM LIKE OUTSOURCING SHIPPING MEANS CEDING CONTROL, WORKING WITH A REPUTABLE 3PL CAN ACTUALLY GIVE YOU GREATER CONTROL IN SEVERAL WAYS:

Efficiency — A 3PL can give you tools, including a transportation management system (TMS), to get shipping tasks done more efficiently, such as importing customer orders automatically, storing address books, comparing rates and transit times, and adding shipping insurance coverage.

Visibility — Their technology can provide better visibility into the status of orders, enabling you to track shipments and respond quickly to issues.

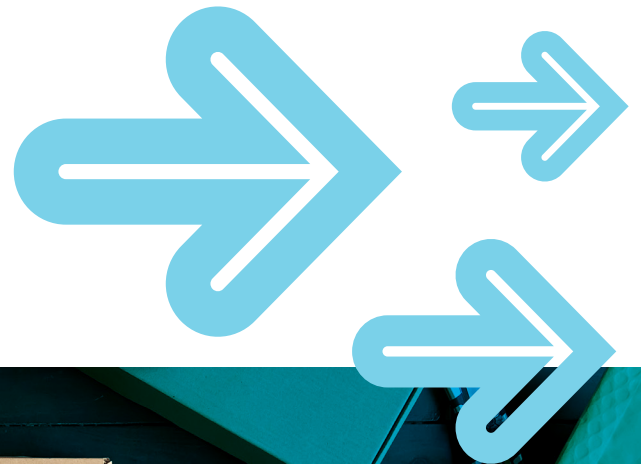
Scalability — In e-commerce business shipping, demand can suddenly spike or shrink seasonally or due to other factors. 3PL providers have the resources to quickly adapt to spikes in demand so your customers aren't left in the lurch.

Breadth and flexibility — A 3PL will give you easy access to specialty shipping options when you need them, such as expedited shipping, international service, and specialized delivery options. They can also connect you to an network of reliable freight carriers if you have occasional less than truckload (LTL) or full truckload (FTL) shipping needs.

Bandwidth to build — By offloading the complexities of shipping, you can concentrate on what you do best, allocating more time and resources to product development, marketing and customer experience so you can continue to grow and stay competitive.

Better customer experience — A 3PL can help you enhance your shipping speed, cost and accuracy. Their expertise helps you leave a positive impression on customers through every step of the shipping process.

Future focus — Use the 3PL's shipping software to generate reports, analyze shipping trends, gauge performance and identify opportunities for improvement.





HOW CAN YOU TELL WHEN IT'S TIME TO USE A 3PL?

Even if it seems like a good idea, it can be hard to pull the trigger on engaging a 3PL. As an e-commerce shipping business, you may want to consider it more seriously if any of the following begin to be a struggle for you:



Handling order volume — Business growth can lead to increased complexity in shipping and fulfillment processes. If it's a challenge to keep up with orders, it may be time to consider a 3PL to handle the logistical challenges.



Allocating resources — Your SMB may have limited resources to devote to shipping and fulfillment operations. Hiring more staff and purchasing equipment can be expensive. Outsourcing to a 3PL could free up resources for the core business operations.



On-time, affordable delivery — Managing growing shipping operations in-house may lead to inefficient routing, longer transit times and missed delivery windows, driving up costs and letting customers down. A 3PL can help you optimize your processes to meet expectations more efficiently and cost-effectively.



Expanding geographic reach — If you want to broaden your focus to new regions or internationally, managing shipping processes becomes increasingly complex. A 3PL can help navigate new regulatory and customs requirements.



Focusing on your strengths — If your growing shipping operations are taking up more of your time and resources, outsourcing to a 3PL allows you to focus on marketing, product development and other core functions that contribute to growth.

If your e-commerce shipping solutions are facing any of these challenges, it may be time to consider outsourcing your shipping and fulfillment operations. Working with a 3PL, like Worldwide Express that has a partnership with UPS, can enhance operational efficiencies, reduce costs, increase customer satisfaction, and help businesses to scale and grow their e-commerce business shipping venture.



CONTACT WORLDWIDE EXPRESS TO UPGRADE YOUR E-COMMERCE SHIPPING GAME

Want to learn more about how a 3PL like WWEX can take your e-commerce business shipping to the next level? As part of the largest nonretail authorized reseller of UPS in the nation, we can provide you with top e-commerce solutions, competitive shipping rates and our parcel shipping expertise. Contact us today to get a custom shipping consultation from one of our logistics experts.

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