

## How to prepare for Black Friday in Shipping

Good morning eCommerce South Africa and welcome to our first of hopefully many opportunities for us as fulfillment partners to many online stores to give the help and support this incredible industry that we have been fortunate enough to be part of for 14 Years now.

So, let's get ready to Optimise/Change your shipping strategy this year and Prepare for the Mother of all sales Black Friday. We must look at this from a variety of angles. It's also important that if you are looking to create a model or look over past sales to gauge what sort of BF you are going to have.

### Consider these facts.

Covid has shed so many jobs and times are tough so assuming last years figures maybe a mistake. Especially when you consider that what we are calling the new normal has been seeing regular 20% spikes in the online trading South Africa Wide. So How do we determine what the volume is going to be like? Based on what "The New Normal" or 20% up on last year's figures.

Now again it depends on the lens you are using at the time of asking! As seasoned industry retailers are already seeing this growth and we are regularly hitting 20% increased sales before Payday November arrives.

So what are the predictions or stats and whose going to make the prediction that all

All our courier suppliers are touting 20%. I saw an article that PayGate put out saying they believe instore sales will drop which confirms what we all believe is "The Shift" the final nail pushing eCommerce into low double figures and causing alarm bells for Brick and Mortar retailers everywhere has begun.

This is what our supply partners are saying and quite frankly I do hope they are right.

So, if sales spike 20% on Black Friday, what is the reason?

Generally, manufacturers drive these sales and will also decide how you as a retailer can transact on their brand. Now I am not sure if we are all aware, but the major players that tend to drive up the Black Friday deals and figures are not with us this year.

Major Electronic suppliers just do not have the stock drive the extravaganza and some won't have a single Usual Black Friday unit for sale this year?

So the question that everyone is asking is what will be "Black Friday Product/Range this Year.

If All those customers can't get that TV/Electronic they budgeted for, where lies the opportunity?

I see a customer ready with saved Rands and an opportunity for e-tailers.

So how does one take advantage of the opportunities we are going to face this year.

So the three main areas I'm focusing on for your store to improve some of the measure you may or may not know that can help improve bottom lines and maybe a bit of stress too.

- 1) What kind of measures can you install to improve the customer experience
- 2) What measures can be taken to improve your ability to pack better and faster

### 3) How can you improve the costing related to courier?

I feel the only real option here is to expand the Consumer Options.

This trend has changed on what consumers require to make a purchase

A much higher percentage around 70-80% of consumers are now making the final purchasing decision based on the delivery and return Policies. This percentage is bound to rise due to on demand and increased mobile purchasing and is probably off already based on the Covid impact already. So, an area of focus for all retailers now would be to expand that Options environment.

Research now shows that nearly 50% of consumers have abandoned carts because the delivery options were not suitable.

Therefore, offer delivery options that are simple, convenient, and fit in with available solutions from your suppliers and consumers.

So what are some of these Options. Click and Collect is a fantastic way to expand your customer checkout options especially when preparing for a spike in sales but generally as an offering has become more and more popular due to time constraints in our daily lives. Adding a hyper local deliver option like local or Piccup or Wumdrop maybe the addition you have been looking for?

Another prudent way is ensuring that you can cope with your orders on a day like this.

What is your capacity? If you outsource to a 3<sup>rd</sup> Party Supplier like us. What is ours? We all have one trust me. Its not any amount of orders There are still some days when we get woken up early by Operations saying all hands on deck! If you asked us, this is what we would say. We have allowed for extended hours on existing staff. We have made more operational space available. We have made more seats available in Customer Service>Returns department. If you can have your fulfillment Supplier or program that can match all of these especially your volumes. Then you will not only increase sales but also improve your customer churn. We now know that when customers find delivery and returns 'easy' there's a greater chance you gain customer loyalty.

### 2. Flexibility this is a big one

Be Flexible Black Friday is not like your normal sale day:

There are going to be massive volume of people coming to your website to buy products that are on deals. These could be current brand advocates, new customers or lapsed customers. There is so much that can go wrong on these days that it is good not to be too strict or too demanding on your fulfillment plan/supplier. Be way more transparent with your ability to cope on these high-volume days. To me this is become a more than a BF sale process but a general rule in eCommerce. By over promising you add a dimension to the relationship that is almost impossible to repair. Extend delivery times from 2-4 days to 5-7 to ensure your promises are kept, and explain why!

Maybe the installation of a fulfillment dispatch calendar specially designed to ensure that the client gets the deal, but also works with you or your supplier's ability to handle the volume.

Genuinely nice piece of kit this, you get the sale and you get to schedule/manage the dispatch.

Let's take for example you can guarantee the dispatch of say 50 orders a day or 250 a week, by bolting on that dispatch calendar your client gets the sale and you get to manage the expectation. Something we at ideliver have learned the extremely hard way. Now you have a system that is

managing the back door in which you operate whether you own it or outsource it and can cope with the volumes.

While doing my research on this I came across some articles submitted by some large courier firms in the US some of them linked to Amazon apologising in advance for the delays to be expected last year in advance of Black Friday sales. You might need to increase your warehouse space or operational/Turnaround space. Maybe you need to run longer hours for a few days or even on a 24-hour basis for a couple days or perhaps move staff around so that your effective process can be maintained.

It is not just your warehouse staff either. A major consideration in areas like returns ensures they have all the resources and knowledge to serve your customers better.

### 3. Prepare Outgoing Stock In Advance

If you are offering a few selected items for sale over Black Friday, these are likely to be the best sellers.

Staff should know in advance where these products are, which packaging is most suitable for them and have the packaging close by and accessible and pre-cut for ease of use.

To make this easier, ensure that your marketing and warehouse teams are talking to each other before Black Friday.

When your warehouse team know what is coming in. Maybe get advanced manifests emailed and loaded into your system so that warehousing staff are aware of inbounds

Remember to cut your boxes down before shipping. I see this everywhere and it astounds me how eCommerce shippers waste 100's of thousand of Rands on bad packing.

Picking one size box and filling the gap with airbricks and brown paper are no longer efficient time savers because what you gain in speed you loose in volumetric weight on your courier Bill.

Also, less movement in the box is better on south African couriers' vans. There is a standing joke in our industry that when you put a fragile sticker on your parcel the courier's companies throw them underhand!

But seriously use them if you need them, they do help.

### Very Important

Be sure that your courier also offers you a 5000 Volumetric Factor on your rates. Too many suppliers are offering great rates on a Volume of 4000 but hurt you by charging 20% more on oversize packages. When dispatching using courier, bags ensure that your suppliers charges fixed prices for bags. Often when checking our clients courier accounts in the past we have seen volume being used to charge for flyer bags. I know this is not as common, however I read the questions and comments daily on eComm Forum and I see the kinds of questions that get asked.

### 4. Check with Supplier Partners

Check with your couriers that they can receive extra shipping loads. They might have many companies in the area. They may collect their first and arrive with you full. This will obviously limit the quantity you can send out, each day so planning here is vital, most seasoned courier companies will have ample additional resources. At ideliver when we started we often had to drive to the courier company and deliver our clients parcels or arrange our own trucks in to couriers because container off loads took longer than anticipated or international shipments arrived late inbound, again emphasising this let your customers know to expect delays over this period.....and its not two or three days we are talking about here especially on outlying areas. A spike in volumes even when prepared for, does strange things to couriers who are just beginning to understand this new consumer.

Warn your couriers as they are likely to add resources to the area and help you move orders out of your warehouse faster. This does not just help get the orders to the customer quicker, it also helps you keep the warehouse clear, something that can affect the efficiency of your fulfillment team.

#### 5. Communicate, Communicate, Communicate

Up until the point of delivery you must ensure that your customer service team are communicating with your customers. Send them regular updates on the position of their order throughout the fulfillment process. This helps to increase confidence and reassure customers that their order is coming. This can be done automatically if you have the right systems in place to monitor and process your orders.

#### 6. Be Ready for Boomerang Thursday

Black Friday might be over, but Boomerang Thursday is just around the corner:

This is the day when e-tailers see the highest returns to the warehouse. By processing return items quickly, you can prevent customer churn and keep or improve your reputation. Choose supplier that have exceptionally good reverse logistics dynamics ensuring that when that collection is placed, communication on the collection is paramount. Telephone numbers here are especially important.

#### In Conclusion

Be sure that you are ready for Black Friday with an efficient and effective fulfillment strategy.

Train and prepare staff for the big day and communicate with partners and customers to help the fulfillment go smoothly.

Brief staff on the Black Friday deals.

Prepare stock for quick movement.

Converse with couriers over the expected order level

Watch those shipping Bills, we all make mistakes including household name couriers.

Have a fantastic Black Friday Sale

Thank you

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