

# HOW TO USE CLOUD TECHNOLOGY TO REVOLUTIONIZE PARCEL SHIPPING

It was hard for businesses to catch a break in 2020. Many brick-and-mortar stores were forced to close their doors, and e-commerce sales rose by a staggering 44%. This surge in online sales forced companies to quickly pivot their distribution strategies to get goods into the hands of consumers.



Unfortunately, many businesses lacked flexibility—in their carrier network, in their supply chain technology, and in their IT staff—to rapidly respond to this shift in the purchasing landscape. In almost all scenarios, consumers were told their purchases would be delayed, a hard message to deliver in a same-day economy.

In 2021, what would it take for your business to be able to quickly pivot in the face of a supply chain disruption?

[Enter the cloud.](#)

## Cloud-based shipping software gives you the tools you need to:



Automate shipment execution for increased agility



Plan transportation strategies with better data & integrations



Delight customers with on-time delivery

The cloud can catapult your order fulfillment workflows into the future.

In this guide, travel with us to see how and where cloud-based shipping software can increase efficiency and save your business time and money.



# AUTOMATE PROCESSES FOR INCREASED AGILITY






**Executing shipping fulfillment workflows with an on-premise software system requires manual touches from people and equipment to help parcels move efficiently.**

Shipping operations are dependent on their own servers to scale, maintain security, and remain compliant with ongoing carrier updates.

Not surprisingly, when faced with a surge in demand or a supply chain disruption, bottlenecks occur. And when your orders don't make it out the door in time, making customers happy becomes near impossible.

## WITHOUT THE CLOUD

On-Premise System Issue	Effect on Business
 Software relies on in-house IT teams.	Changing carriers and shipping workflows can be expensive and detract from other IT initiatives.
 On-premise equipment (servers) is inefficient.	Software maintenance and upgrades as well as security compliance are resource intensive and costly.
 Technology stack can quickly become unwieldy.	A piecemeal solution impedes visibility and scalability, and omnichannel fulfillment may be out of reach.

## WITH THE CLOUD

In contrast, **cloud-based shipping software** gives you the magic combination of:



Shipment  
volume scalability



Carrier  
network breadth



Distribution  
flexibility

By implementing shipping software with a cloud architecture, you can increase the agility of your order fulfillment workflows and reduce the number of manual touches an order receives.

### Cloud-Based Shipping Software

- ✓ Automated shipment execution.
- ✓ Parcel contract management.
- ✓ Rating.
- ✓ Rate shopping.
- ✓ Parcel consolidation.
- ✓ Labeling and document creation, including cross-border and hazmat.
- ✓ Parcel delivery track-and-trace, including troubleshooting.

## Effect on Business

- ✓ Upgrades from one version to the next are seamless, reducing effort for in-house QA teams.
- ✓ Infrastructure and supportive software upgrades are a managed service, with no downtime.
- ✓ Scaling of software services is managed by cloud orchestration, which enables you to dynamically manage your growth while maintaining profit margins—without additional resources (or headaches!) during unexpected events or surges in demand.
- ✓ Plus, you gain real-time visibility across your entire supply chain ecosystem and can anticipate disruptions.

With the cloud, you can maintain on-time delivery rates while reducing operations costs in any shipping landscape. The right solution will perform no matter the number of parcels leaving your warehouse each day.

**Importantly, cloud-based shipping software can also flag unexpected delivery events, empowering you to:**

- 1.** Proactively communicate updates to customers when there has been a delivery disruption.
- 2.** Provide reassurance that everything possible is being done to meet the original delivery promise, demonstrating to customers their business is valued.

# PLAN TRANSPORTATION STRATEGIES WITH BETTER DATA & INTEGRATIONS



## In the wake of 2020, building a flexible technology stack is now a top priority among executives.

More than ever, companies recognize how important it is to have the power of data and business systems integrations on their side, or in contrast: how difficult it is to navigate supply chain disruptions when on-premise solutions stand alone (or are clumsily integrated) and data is siloed.

In omnichannel distribution in particular, many facilities are required to perform multiple types of fulfillment within the same four walls. And while most operations already fulfill e-commerce orders through a mix of in-store and direct-to-consumer fulfillment, an omnichannel strategy complicates matters by introducing alternate order fulfillment methods such as:

- Buy online, pick-up in store (BOPIS)
- Ship-from-store

These new channels can introduce “noise” and complicate a shipper’s operations. Shippers using standalone systems in their supply chains, warehouses, and fulfillment centers will encounter more challenges, including increases in costs and labor.

### WITHOUT THE CLOUD

#### On-Premise System Issue

#### Effect on Business

! Implementing new, strategic fulfillment workflows such as ship-from-store and BOPIS introduces “noise” into logistics.

A struggle to gauge and optimize inventory, plan for demand, control costs, and meet customer delivery expectations.

## WITH THE CLOUD

### Cloud-Based Shipping Software

### Effect on Business

✔ Connect people, processes, and third parties in shipping operations in real-time.

Putting all data in the cloud in a centrally accessible location helps with order management and distributed order fulfillment, optimizing costs.

You can make cost-savvy supply chain decisions that align with business strategy and market dynamics.

✔ Quickly add new specialty software solutions and technologies to address new requirements.

Extensibility through standardized APIs improves reaction time and collaboration.

API versioning enables compatibility with newer versions of software.

✔ Integrate with WMS, OMS, TMS, e-commerce, ERP, and other business applications.

Carriers on-boarded once are available for all customers, allowing for faster implementations and common interfaces.

You can quickly on-board new carriers, move inventory to execute ship-from-store, offer customers BOPIS, or set up new micro distribution centers without hassle.

And if you're using the right shipping software, not only will you be able to utilize and hone the power of cloud integration to sync your supply chain, you'll be able to leverage Business Intelligence to aggregate and normalize all the data in your shipping operations. This **enables key stakeholders** in your organization to:

- Run rate simulations and compare “what if” to current transportation strategies
- Set and measure parcel shipping KPIs
- Identify carrier delivery performance issues
- Prepare for carrier negotiations

**Cloud-based shipping software can take advantage of cloud native technologies such as the following examples, which provide faster analytics and easier integration to IoT input.**



Furthermore, it can take raw data and apply Machine Learning (ML) algorithms to predict the impact of IoT events on the supply chain, informing your broader strategies. You'll be able to:

- Analyze omnichannel capabilities to better understand whether stores can ship based on space and inventory.
- Determine which types of orders can be shipped versus picked up.
- Analyze the impact of carrier capacity limitations and order demand, providing managers with the ability to pivot carriers and transportation budgets to match customer expectations.

By integrating data sources in the cloud, shippers can make cost-savvy supply chain decisions that align with business strategy.

# 3 DELIGHT CUSTOMERS WITH ON-TIME DELIVERY




**Arguably, the most important part of order fulfillment is delighting the customer.**

Did you know: if you can offer a customer same-day delivery, they are **49% more likely to shop with you?**

Unfortunately, shippers using on-premise software with a limited number of carriers may not have access to same-day service or may not have access to same-day service at a palatable price. And when online sales increase and customers are looking for personalized delivery (BOPIS, parcel lockers, etc.) shippers are stuck.

## WITHOUT THE CLOUD

On-Premise System Issue	Effect on Business
 The speed of on-boarding new carriers is dependent on IT resources.	On-time delivery, and therefore customer satisfaction, is at risk, especially during a carrier capacity crunch or delivery disruption.  Transportation spend is at the mercy of already contracted carriers for a prolonged period.

## WITH THE CLOUD

The right technology changes the game. Cloud-based shipping software allows shippers to easily deploy a **multi-carrier strategy**, which means the shipper can quickly on-board new carriers and wield more delivery options to please customers.

Cloud-Based Shipping Software	Effect on Business
<p>✓ Quick carrier on-boarding.</p> <p><b>Rating, rate shopping,</b> and carrier compliance across hundreds of carriers.</p>	<p>You're able to pivot distribution strategies and quickly onboard new carriers—including cross-border and hazmat services—to achieve on time delivery, even in the last mile.</p>

Sophisticated, cloud-based shipping software will include multiple global, regional, domestic, and international carriers in their **carrier library**, as well as gig economy companies such as DoorDash, Postmates, and Instacart, allowing shippers to easily build a unique transportation network to serve their customers. Then, the system rate shops across this network, switching between carriers to continually optimize each shipment to achieve on-time delivery at the lowest cost based on:

- Point of origin
- Point of destination
- Delivery timeframe
- Parcel weight
- Parcel dimension
- Any applicable business rules

And though each carrier has unique labeling and electronic communications compliance requirements, cloud shipping software will ensure the right label and documentation is produced for each shipment regardless of carrier, eliminating carrier fines due to errors and simplifying the complexity of multi-carrier shipping.

With **cloud shipping software**, you can:



Leverage multiple carriers to offer fast, flexible delivery services.



Prevent delivery delays due to incorrect labeling and documentation.



Leverage last-mile carriers and expand to international markets by onboarding new carriers easily.



Access **local and regional carrier networks** when national carriers are at capacity.

# Why Partner with Logistyx?

Did you know cloud architecture is poised to be the **defining strategic feature** of shipping software in 2021?

If you're looking for pioneering, cloud-based parcel shipping technology, Logistyx has more than earned the title. Our team is fully equipped to build and customize agile, data-driven, and cost-effective supply chain management strategies for global retailers, manufacturers, and logistics providers. With decades of experience, we've seen and solved many different problems. In fact, we thrive on complexity.

We embrace a consultative approach to problem-solving. We'll dive into your unique shipping operations by asking hard questions, analyzing your data, and aligning all strategies and solutions to your needs. Our goal is to infuse your shipping strategy with agility and lay the foundation for growth, ensuring your business operations are prepared for the crises and opportunities of the future.

**Are you ready to launch your shipping operations into the future? Talk to a Cloud Expert today.**