

“10 TIPS FOR DO IT YOURSELF FULFILLMENT”

Written by Kelly Bennett

We get calls almost every day from inventors, producers and small business owners who are launching their new product(s). Some of them are terrific! However, in many cases, the costs to justify an integrated 365/24/7 3PL fulfillment partner just won't fit in the budget.

If you choose to do fulfillment “in house” (whether in your department or in your garage), we recommend you:

1. Know Your Product – Research requirements for general shipment of your product (there are restrictions on aerosols, for example) and any rules and regulations in the specific state you're shipping to (alcohol, to Florida, for example is a no-no). We have personal experience, for example, that a wire bound notebook may not be sent to a prison for fear that the product itself may be turned into a weapon.

2. Explore Shipping Options – Since shipping is the #1 expense in fulfillment, define your requirements and options. Consider how quickly you need it there, whether it should be insured and whether it should be signed for at the door. (BTW, consumers LOVE “free shipping”). Also try to get your product weight and “dims” (dimensions) as light and compact as possible. Zone-skipping (to maximize delivery time and cost) may also be available from certain shipping carriers.

3. Know Your Sales Tax – If you are selling product directly to consumers AND you have a “nexus” in the state in which the consumer resides, you need to collect and report sales tax. (Note that this is a big legal issue right now in DC, stay up to date on “Net Neutrality” rulings). Please contact us for more information and/or a referral to a more qualified partner who can explain all the ins and outs.

4. Avoid Customer Service Time and Expense – Have as much information as possible on your website to cut down “WHIZMO” (Where Is My Order?) calls. Send automatic “order confirmation” and “order shipment” emails that provide links to the order itself. We also strongly

“10 TIPS FOR DO IT YOURSELF FULFILLMENT”

Written by Kelly Bennett

recommend including a map of the US showing estimated number of days until delivery.

5. Avoid Backorders. Keep adequate inventory on hand to satisfy orders. “Backorders” (not enough product in stock; waiting until replacement inventory arrives) increases customer service calls, may require partial shipments (additional fulfillment and shipping expense) and delays the cost of collection on your sale.

6. Don’t Hit the Credit Card Until You’ve Shipped the Order. It’s the law.

7. Don’t Forget About Packaging Costs. A standard box and inner packing materials can add \$.30 or more to each order. Custom packaging options are cool, but can also add significant cost. Perception is reality (and so important) but be sure to include these costs in the price of the product itself.

8. Define your Return Strategy and Policy. Are you a “Nordstrom”, willing to exchange anything at no additional charge, no questions asked? That’s fine. Just know what your return rate will be. A 10% return rate is on the high side (in my opinion); returns will be higher for apparel, fitted items and items that just don’t work.

9. Underpromise and Overdeliver. Ship the product the same or next day. If possible, include a small “gift” the consumer was not expecting. There are also many ways to extend the sale with your package by including coupons, requesting referrals, and driving more traffic back to the site. We have a lot of great solutions for this!

10. Be Ready to Explode. If you do indeed succeed at selling your product you find yourself busier building boxes than working on your marketing plan (what you REALLY should be doing),

“10 TIPS FOR DO IT YOURSELF FULFILLMENT”

Written by Kelly Bennett

be prepared for a fast transition to a real fulfillment company. Have that relationship formed and ready to launch.. If you work together closely with that partner, an inventory transfer, data integration, testing and fulfillment launch can be accomplished within a matter of days.