

+++

# SUPPLY CHAIN MASTERY

ADVANCED LOGISTICS STRATEGIES FOR  
AMAZON & ECOMMERCE SUCCESS

2024



[www.SimpleForwarding.com](http://www.SimpleForwarding.com)

## CHAPTER ONE

# Optimizing Your Fulfillment



Taking a moment to step back and review your fulfillment strategy is just good business sense. Ensuring it's optimized to the fullest extent possible can mean great things for your business. Even if you're not considering a shift away from Fulfillment by Amazon (FBA), it's worth the effort to assess your routes, starting from your overseas factory and until your product is in the customer's hands.

### **Are Your Fulfillment, Shipping, and Storage Costs Optimized?**

If you sell a few different products, you can have different fulfillment options. That way you can choose the right fulfillment option for each one.

As a general rule for Amazon, lighter, smaller and faster selling-out products do better with FBA, while slow sellers and bulky items are cheaper to fulfill with Fulfillment By Merchant (FBM). Amazon storage costs for products that end up sitting on the shelf for a long time can be expensive.

If you're using 3rd Party Logistics (3PL), be aware there can be very big differences in the pricing structure. It's worthwhile doing some calculations. For example, one warehouse could charge \$25 per pallet storage, and \$1 per piece for fulfillment. Another warehouse could have you pay \$40 per pallet storage charge, but \$0.35 for fulfillment. The best option for you will depend on your product's selling history, and how long it's likely to sit in storage. Some fulfillment centers will be hooked up with better shipping discounts too, even if their storage or fulfillment offering is similar.

## Have You Evaluated Your Location Options?

For FBM sellers or if you sell from your own Shopify store, there are three things that matter for your fulfillment center(s): Location, location and location! Where you are situated influences the shipping times and costs that you can offer your customers, which in turn impacts how many sales you'll make. Other factors are affected by location as well - you'll be paying to truck merch into the location from the port. And of course, high-demand areas charge more for storage, while lower-demand areas are generally cheaper.

Opting for a single geographic location for your operations can be enticing—you'll slash trucking costs and streamline warehouse expenses. However, there's a catch: higher delivery fees for customers further afield.

In this case, for customers far from the fulfillment center of your choice, you can use 2-day air shipping service. This way you keep the shipping times attractive to prospective buyers. Air shipping is super fast and would keep any potential customer happy, but it's expensive for you to offer. For example, you can send packages by air all the way from the East Coast to the West Coast in 2 days, but it will cost more than USPS. Consider if it is strategically better to maintain fast shipping but lose margin on far away customers - while keeping your fulfillment to one location.

Another option is to keep stock in two locations - one center in the East Coast, and one in the West Coast. To ship to states in between these two, like Florida, will take 3-4 days with USPS standard service.

If that still isn't fast enough, we recommend you use three locations - East Coast, West Coast and Gulf Coast. These three locations neatly cover the whole USA.

Some Midwestern states can be strategic locations for eCommerce. A good place to start is Chicago. To ship to the East or West coast from Chicago is relatively similar, and would be 2-5 days with USPS. Utah, Illinois, Kentucky and Cincinnati are also well placed options to consider.

The eCommerce shipping hub of the US is the West Coast; Los Angeles/Long Beach, and the whole Southern California area. That's where the most storage, fulfillment and online shopping is happening.

However, due to the high demand, fulfillment and storage in the Southern California area is more expensive than other areas. The key, if you can, is to find areas neighboring these hubs. If you can find a fulfillment center in Northern California, for example in the Oakland Port area instead of Port of Los Angeles, you will find cheaper warehousing prices with similar shipping proximity to get packages out to your customers.

A tip from the pros: Including the West Coast as one of your fulfillment locations is always a strategic move, as it's the cheapest and fastest destination when shipping into the US from China.

### **Are Your Fragile Items Handled With Care?**

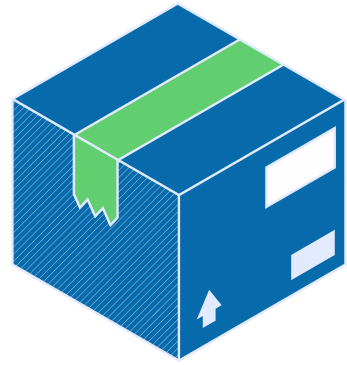
We strongly advise against routing delicate or valuable items through Amazon FBA fulfillment. Their handling and packaging practices for such items often fall short, increasing the likelihood of breakage upon arrival.

For fragile goods like glassware, porcelain, musical instruments, scientific equipment, and other items requiring specialized care during packaging and shipping, we recommend using a reputable fulfillment center instead of Amazon.

The other issue with this is if the item gets broken via transit-related damage and is subsequently returned by the customer, Amazon's standard protocol involves returning the item to its shelf and going on with their day. They don't thoroughly inspect returns. This increases the risk of sending out damaged goods to subsequent customers.

## CHAPTER TWO

# Evaluating Trucking & Shipping Options



### Are You Still Using Amazon's Partnered Carrier Program?

If you've solely relied on Amazon Partnered Carrier Program (PCP) for trucking from the port or warehouse into Amazon, it's prime time for a rethink.

For smaller quantities—such as sending in a few boxes for minor restocks—stick with Amazon's partnered rates for UPS or FedEx. Not only will you score better rates than elsewhere, but you'll also enjoy the reliable and predictable service UPS and FedEx are known for.

However, for larger shipments, whether it's a couple of pallets less-than-truckload (LTL) or a full truckload (FTL), we highly recommend switching to a reputable 3PL provider. It's a game-changer for efficiency and cost-effectiveness.

Here's why:

Although Amazon trucking will occasionally come out cheaper - for LTL only; Amazon will not be cheaper for FTL - they have a reputation for lower service levels.

Sometimes, you'll get a freakishly low LTL quote from Amazon; so low that we're sure they're making a loss on the shipment. If that's the case, it's worth taking advantage of the savings. But most of the time, you'll both save and get better service with a good broker.

For an LTL quote from Amazon that's either similar or more expensive to what you'll get from a reliable 3PL, as is often the case, then we recommend going with the 3PL every time. It's not worth taking chances on whether your store will be restocked in time when the savings difference is minimal - better to both save money and stay in control of your inbound trucking and restocks.

Amazon PCP trucking service is notorious for its drawbacks: driver no-shows, late deliveries, and a lack of communication. You schedule a dispatch for a specific day, only to have the day pass without a truck in sight. Even if you attempt to re-dispatch, Amazon may keep you waiting until there's enough cargo along your route to justify sending a truck, leading to weeks-long waiting periods before pickup.

A good 3PL like Simple Forwarding can secure immediate LTL pickup and ensure timely same-day delivery. There's no need to wait for Amazon's approval—we work with trucking companies driving your route and adhering to your preferred schedule.

Likewise for FTL, we partner with reputable trucking companies, keeping you fully informed throughout the process. You'll receive complete contact details, allowing you to communicate directly with the driver and track your shipment's progress with ease.

When Amazon presents you with FC delivery options, they base their selections solely on strategic product placement without disclosing any delays at the unloading bays. It's not uncommon for a shipment to be routed to an Amazon fulfillment center only to experience several weeks of backlog - without Amazon notifying you of the receiving delays or the extended restock time.

On the other hand, we keep tabs on the FCs (Fulfillment Centers) that we send to. We can see based on appointment availability if your container will be left waiting, or whether it will be received and restocked immediately. If the FC you have been offered is backed up, we'll tell you and advise you on another location close by which will serve you better. This way, you will both avoid Amazon's detention fees and get your products picked up from your warehouse, transported into Amazon, received by Amazon and restocked in a day.

Avoid partnering with a 3PL that doesn't prioritize scheduling truck arrivals for appointments. Delays will lead to additional costs, including layover fees to the trucker and detention fees to Amazon for the container waiting. Be sure your logistics partner is vigilant about monitoring Amazon FC schedules to prevent these unnecessary expenses.

To summarize, there are only two instances where we would recommend using Amazon PCP shipping:

- If your stock levels are not of great importance, and you notice an extremely cheap quote.
- If your product is questionable in any way - Amazon always accepts shipments from their own trucks.

## When Should You Use Amazon Global Logistics Freight?

Despite its limitations, such as the low level of service described above regarding Amazon trucking, we still advocate making the most of Amazon Global Logistics (AGL) in certain circumstances.

The current advantage of using AGL is related to Amazon's preference that you split your shipment into 5 loads going to separate fulfillment centers, in order to avoid a placement fee. If you use AGL for this by shipping from your supplier in China directly to the 5 Amazon fulfillment centers, you will avoid the various fees that a 3PL would have to charge you.

3PLs charge not just according to cubic space taken up, but also for incurred costs in warehousing, customs, and consolidation fees. Amazon doesn't need to charge you for all of this, as they consolidate your shipment together with other sellers' cargo which is all going to Amazon. You can expect to pay less than half the cost that a 3PL can provide, which is a massive saving for your business.

While we wholeheartedly endorse supporting excellent service and minimizing headaches for your business, we also recognize the importance of the most cost-effective option available for your bottom line.

However, as a final point on this matter, we'll illustrate the difference between using a 3PL or relying on AGL's service with a story we encountered recently:

*A customer of ours who occasionally ships with us but uses AGL for less-than-container load (LCL) into Amazon called us one day in a panic. He had an AGL shipment on the way to the US from China that was delayed and had seemingly disappeared off the grid - until he received a shocking letter from Customs. His shipment had a customs violation, had been seized and was going to be destroyed.*

*He was worried, both about losing his shipment, and also because of not knowing the consequences of the customs violation. Would he be arrested? Could he be fined a large sum of money?*

*Our customs team was able to advise him that all it took to fight his very minor violation was to send an email with some paperwork, which he did - and his shipment was released onwards to Amazon without further ado.*

This really highlights the risk you take by opting for AGL just because it's cheaper. There's a real chance of losing your shipment in the process, or of encountering delays. But then again, maybe it's a gamble worth taking in the grand scheme of things. It all boils down to a crucial decision for each business to decide for themselves: do you invest in expertise or opt for the cheaper, albeit riskier, route?

### **Are You Paying Too Much in Amazon Placement Fees?**

To sidestep the placement fee, whether you're utilizing AGL or a 3PL broker, you'll need to permit Amazon to divide your cargo among 4 or 5 different locations. Opting to ship to just one destination incurs a steep placement fee. For three locations, the fee is slightly reduced, and for five locations, you pay no placement fees at all. This often means shipping LCL instead of FCL, as you won't be filling 5 full containers. We recommend AGL for this as consolidated LCL shipments via AGL tend to be notably more cost-effective.

It's important to note that AGL doesn't allow for the splitting of one container into five different locations, especially when those locations are spread across the USA. Doing so could cost you thousands of dollars. Your options boil down to either paying the placement fee, whether with AGL or a freight forwarder, or splitting the shipment to utilize LCL services.

In terms of placement fees, Upstream Amazon Warehousing and Distribution (AWD) offers an alternative. They aim to take over the warehousing partnership with sellers, so they are making it an attractive option. Here's how it operates: Sellers ship from China to AWD to replenish inventory and unlike other options, they don't require you to send to multiple locations. When your FBA inventory falls below a certain threshold, Amazon automatically draws inventory from AWD at no extra cost to you.



The table below illustrates the pros and cons of using Amazon PCP and AGL for different types of shipments:

Freight Type	Amazon Service	Pros	Cons	Our Recommendation
Small Parcel - Up to 10 standard size boxes	UPS/Fedex Partner Carrier	<ul style="list-style-type: none"> <li>• Good standard service as can be expected from UPS and Fedex</li> <li>• Cheaper rates than you can access yourself</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>	Always use Amazon's UPS or Fedex Partners for small volume shipments into Amazon. No 3PL can match the price.
LTL inland - Up to 3 pallets	Partnered Carrier Program (PCP), Amazon Freight	<ul style="list-style-type: none"> <li>• Can be very cheap</li> <li>• Amazon always accepts shipment</li> </ul>	<ul style="list-style-type: none"> <li>• Poor communication</li> <li>• Pickup delays</li> <li>• May wait a long time to be restocked</li> </ul>	Check both Amazon and 3PL prices. Use Amazon only if cheap and timing doesn't matter.
FTL inland - Full truck	PCP, Amazon Freight	<ul style="list-style-type: none"> <li>• Amazon always accepts shipment</li> </ul>	<ul style="list-style-type: none"> <li>• Not cheap</li> <li>• Poor communication</li> <li>• Pickup delay</li> <li>• <b>Delays as standard</b></li> <li>• May wait a long time to be restocked</li> </ul>	Use 3PL for better price and much better service.
LCL Import from Overseas direct to Amazon	AGL	<ul style="list-style-type: none"> <li>• Much cheaper due to Amazon's consolidation</li> </ul>	<ul style="list-style-type: none"> <li>• Poor communication</li> <li>• Delays as standard</li> </ul>	Use AGL unless time is of the essence.
FCL Import from Overseas direct to Amazon	AGL	<ul style="list-style-type: none"> <li>• None</li> </ul>	<ul style="list-style-type: none"> <li>• Poor communication</li> <li>• Delays as standard</li> </ul>	Use AGL unless time is of the essence.

## Trucking to Multiple Locations

Over the last several years, Amazon has increasingly encouraged sellers to spread their inventory among multiple locations, by limiting the fulfillment centers you are offered through Amazon Seller Central, and upping the fees involved in restocking your Amazon store. This results in more costly trucking for sellers, and makes your logistics a lot more complicated.

We have always looked for solutions in the best way to circumvent unnecessary fees and keep logistics to a minimum cost for our clients. However as Amazon’s policies are ever-changing, we’re forced to stay ahead where possible.

While we try to avoid it at all costs, if it is something inevitable then it’s best to be prepared. By way of illustration, take a look at the following logistics calculation:

Costs for 1 container, 5,000 units	Trucking to one location	Trucking to 3 locations
Ocean Freight China to Los Angeles	\$2,000	\$2,000
Duties	\$1,000	\$1,000
Trucking & Warehouse	To Fulfillment Center (FC) in Los Angeles \$1,000	To Warehouse in Los Angeles \$1,000  Warehouse receiving and re-palletizing \$1,500  LTL to Arizona FC \$800  LTL to Los Angeles FC \$1,000  LTL to Cincinatti FC \$1,000
Total Costs	\$4,000	\$7,800
Cost Per Unit	\$0.80	\$1.56

If you find yourself in a situation where you must ship to three locations simultaneously, be aware that the shipping costs per item will nearly double.

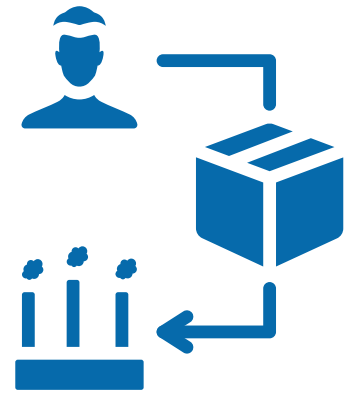
This increase is attributed partly to warehousing and transloading fees, as indicated in the table above. Additionally, dividing your container load into three shipments means you're unlikely to meet the minimum requirement for FTL, which offers the most economical shipping cost per pound. Instead, you'll need to book three separate LTL shipments, which always costs more for the weight.

Given this scenario, coupled with Amazon's escalating seller fees, if you are unable to avoid shipping to multiple locations, we advise exploring alternative fulfillment options.

***A good freight forwarding company keeps a finger on the pulse of changes to e-commerce logistics. We help you evaluate your options and offer you cost-saving solutions. With every new Amazon policy that is rolled out, we immediately get to work to find the best logistical response to avoid fees and minimize logistics cost.***

## CHAPTER THREE

# Optimizing Reverse Logistics



The journey of a product doesn't always end when it reaches the hands of the customer. Enter reverse logistics, a crucial yet often overlooked aspect of the supply chain that deals with what happens to products after they've been sold and shipped. What products do you have sitting in storage that you could convert to cash?

### **Do You Have a Plan for Unsold or Excess Inventory?**

Many business owners find themselves fixated on the cost of goods sold (COGS) when evaluating the performance of their products. In reality, there will always be a small percentage of goods that don't sell at full price, or at all, and this is something you need to consider for your profit/loss calculation.

There are hidden costs involved in keeping inventory around that is not selling. Warehouse storage costs, plus the tied-up capital involved in non-selling goods will affect your cash flow. Liquidating this stock on a regular basis will mean more healthy cash flow to your business.

Therefore, you need a time-bound plan in place of what to do with stock that is not shifting.

The first step is usually to discount the items for a time period, and that will get some of it sold. That may mean selling it at no profit, priced just to cover costs. In the bigger picture where 90% of your items sold at full price, it's normal that 10% don't bring in a profit. It's better to get them sold off cheap and converted into cash than to keep paying storage fees and have capital tied up in them.

The next step is to choose a reverse logistics channel for returned goods and overstock, and have dates in the calendar of when this will be put in motion.

For products that have 'Sell by' or 'Use by' dates, make sure your date for discounting and selling onwards is well before that date.

## CHAPTER FOUR

# Diversifying Sales Channels



While Amazon is a mainstay for the time being, we believe the time is ripe to explore alternative advertising avenues and marketplaces. Opportunities abound elsewhere - consider the likes of Best Buy, Target, and Walmart as potential platforms to expand your reach. Additionally, leveraging Google Ads and social media advertising offers cost-effective alternatives to Amazon Ads, especially for driving traffic to your own Shopify store. However, before diving into a new endeavor, ensure your logistics are primed for success.

### **Is Your Business Overly Dependent on a Single Channel?**

Amazon is no longer the marketplace where sellers are guaranteed to make good money.

One reason is the proliferation of Chinese sellers on the site who make for difficult competition. They take advantage of the de minimis rule to avoid duties and taxes that US importers are subject to, and pass those savings on to consumers.

The other reason is increasing seller fees, such as the inbound placement fee. Amazon sellers utilizing FBA were previously able to avoid warehouse receiving fees, but this new fee added on top of Amazon's expensive storage eats into your margin once again.

For this reason, Amazon sellers who are ahead of the game are increasingly working on getting contracts into alternative retail spaces. Getting your products into Best Buy, Target, Walmart and the like may never have been part of your plan, but now is the time to consider it.

Google Ads and social media advertising are currently cheaper to run than Amazon Ads. For this reason we also recommend that you consider running ads and building traction to your Shopify or similar store. You will need to have both the logistics of alternative fulfillment and your Shopify site in place before running ads.

## Are You Leveraging Fulfillment By Merchant?

Another way of circumventing Amazon's fees is to consider FBM, and how it fits into your business strategy for 2024.

Although Amazon Prime is a gold standard of sorts to consumers, you can match that service with FBM fulfillment - and it just may be worth your while.

Consider alternative fulfillment especially for items in your product list that have been selling more slowly, or that take up a lot of space in storage. Warehouse storage fees at Amazon are much higher than alternative fulfillment centers, so for slow sellers and large items, check if your storage fees at Amazon are worth it.

To offer fast delivery that is comparable to Amazon prime, with an FBM model, your cost breakdown per item will be different. But if it means a bigger margin for you, then it could be your next best move.

Here's how costs typically compare between Amazon FBA and matching Prime's standard with FBM:

Costs	With Amazon FBA, you can expect:	When offering fast delivery with FBM, you can expect:
Storage Fees	High	Low
Receiving Fees	Medium	Low
Fulfillment Fees	Low	Low
Product Shipping Fees	Low	High

Take into account that if you are offering fast shipping throughout the country, it will cost a lot more for customers further away than customers near your fulfillment center. It may still be worthwhile eating the cost of fast shipping, instead of using FBA if your margins are eroded by Amazon seller fees.

## Should You Be Offering Seller Fulfilled Prime?

You have the option when doing FBM to have the prime badge displayed on your product page. To do that, you have to enroll in the Seller Fulfilled Prime program, and keep to a certain standard of delivery times and order numbers.

In order to get onto this program, you need data of your sales from the past 90 days, showing the following:

- Self-fulfilled at least 100 packages
- Cancellation rate less than 2.5%
- Valid tracking rate greater than 95%
- Late shipment rate less than 4%

Once you have that, you have to participate in a 30-day trial, meeting all requirements. These are the current requirements you have to pass in the trial period in order to get the Prime badge:

- Participate for 30 days
- Ship 100 or more packages from Prime trial orders
- An on-time delivery rate of at least 93.5%
- A valid tracking rate of at least 99%
- A seller-initiated cancellation rate of less than 0.5%
- Meet minimum thresholds for one-day and two-day delivery speeds as viewed by Prime customer detail page views

While getting approved can be a hassle, this can be a great way to improve margins for particular products, and is worth exploring.

## CHAPTER FIVE

# Final Thoughts



Amazon and the eCommerce marketplace are an ever-changing entity that requires more than just a static approach—it demands constant adaptation and informed choices. Agility and awareness in logistics and fulfillment strategies are non-negotiable for staying ahead in the game.

Optimizing logistics - from selecting the right fulfillment centers to leveraging trucking options - holds the key to efficiency and cost-effectiveness. It can also be critical to scaling your business and remaining competitive.

Diversification could be the secret sauce you've been looking for. By exploring alternative platforms and advertising avenues, businesses can broaden their reach and maximize their potential for success.

So, let's embrace these principles and seize the opportunities that lie ahead. With the right strategy and mindset, there's no limit to what we can achieve in the dynamic realm of eCommerce.

### **Is Your Freight Forwarder a Strategic Partner in Your Business?**

A good freight forwarding company like Simple Forwarding offers so much more than just logistics. Our team of experts are available to you as an invaluable resource in taking your business to the next level. We can evaluate your existing logistics, help you stay on top of market changes, recommend new cost- and time-saving solutions - and much more.

If your current freight forwarding company isn't helping you optimize your logistics, it might be time for a change. Schedule a call with one of our logistics experts to see how we can help.



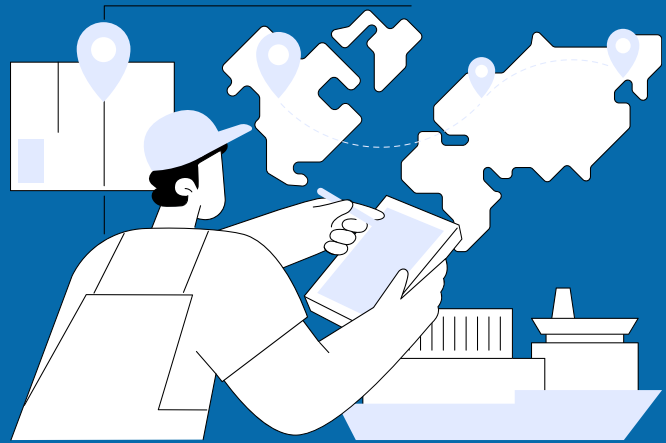
# About Simple Forwarding

Think of us as your partner in the shipping world. We're great at smoothing out those kinks in your supply chain so that everything runs like clockwork.

At Simple Forwarding, we're more than just a freight forwarding service; we're an extension of your business, dedicated to fueling your growth with smart and efficient logistics. Our commitment is straightforward: ensuring your inventory arrives precisely when and where you need it. We help fine-tune your supply chain for peak performance.

We believe in doing more than just moving containers from point A to point B. We are committed to being your partner in the intricate world of freight forwarding, ensuring that every shipment is handled with utmost care and personal attention – the white-glove service you deserve.

Our expert team is always ready to help grow your business with better logistics. Please give us a call at +1 (212) 203-5575 or email [Sales@SimpleForwarding.com](mailto:Sales@SimpleForwarding.com) if we can help.



# SUPPLY CHAIN SCORECARD

## EVALUATING YOUR CURRENT LOGISTICS



How are your logistics holding up this year?

Amazon’s ever-changing fees structure plus the many other supply chain hitches and glitches that we’ve seen recently mean it’s time for an ecommerce logistics checkup. Use this self assessment to get an idea of what’s already going well, and what could be better.

Just put a check mark under the response that suits you best to get a score of how your ecommerce business is doing logistically. Don’t worry, you’re the only one who will see it!

To quote Henry Ford, "The only real mistake is the one from which we learn nothing."

Questions	Response - Choose the Best Match			
	I Got This	Doing OK	Could Be Better	I’m Completely Lost
<p><b>Amazon PCP and AGL Utilization:</b></p> <p>Are you relying solely on Amazon PCP and AGL for shipping, or are you diversifying to optimize for cargo size and route?</p>				
<p><b>Shipping Costs vs Amazon Fees Analysis:</b></p> <p>Have you analyzed the cost difference between shipping to one location versus multiple Amazon fulfillment centers, including the impact on your per-unit shipping cost?(Unit cost should include both shipping costs and Amazon fees)</p>				

Questions (continued)	Response - Choose the Best Match			
	I Got This	Doing OK	Could Be Better	I'm Completely Lost
<p><b>Alternative Fulfillment Exploration:</b> Have you explored alternative fulfillment options outside of Amazon FBA, such as third-party logistics (3PL) services, to potentially reduce costs and increase efficiency?</p>				
<p><b>FBM Product Evaluation:</b> Have you evaluated the benefits of Fulfillment by Merchant (FBM) for your slower-moving or larger items to avoid high storage fees at Amazon warehouses?</p>				
<p><b>Seller Fulfilled Prime:</b> If considering FBM, have you assessed your eligibility for Seller Fulfilled Prime and its potential to match Amazon Prime's delivery standards, displaying the prime badge and being cost-effective for you?</p>				
<p><b>Fulfillment Location Strategy:</b> Have you chosen your fulfillment center locations strategically based on shipping costs and delivery times to your primary customer base?</p>				
<p><b>Diversifying Outlets and Advertising:</b> Are your logistics able/optimized to support expansion into multi-channel fulfillment?</p>				

Questions (continued)	Response - Choose the Best Match			
	I Got This	Doing OK	Could Be Better	I'm Completely Lost
<p><b>Reverse Logistics Management:</b> Is your current strategy for managing returns and excess inventory working well and boosting your cash flow?</p>				
<p><b>Forwarding and Logistics Simplification:</b> Are you well-informed about the available logistics options, and are you regularly evaluating your strategy to ensure it supports your business?</p>				
<p><b>Shipping Struggles:</b> Do you have a process in place to manage shipping delays and emergencies?</p>				
<p><b>Logistics Effort:</b> How challenging do you find the task of managing your logistics</p>				
<p><b>Market Changes:</b> Are you regularly re-evaluating your logistics strategy to ensure you're adjusting to market conditions?</p>				

## SCORE REVIEW



# How Did Your Current Strategy Hold Up?

### Mostly 'I Got This'

If you can say 'I got this' to all the logistics conundrums in this questionnaire, then we hope it's pizza day in the office!

- You're taking a proactive approach in optimizing various aspects of your operations.
- You're actively diversifying your shipping and fulfillment to optimize cargo size and route
- You're weighing up shipping costs plus Amazon fees
- You know each of your products is on a suitable fulfillment path, whether that's FBA, FBM or an alternative vendor.
- You've strategically chosen your ship-from locations so it's cost- and time-effective
- You're on top of your logistics without it taking up too much time and energy

Keep doing what you're doing, if it's working well. And if there's something that can be improved upon, why not tackle it?

### Mostly 'Doing Okay'

If you find yourself nodding your head and saying 'It's okay' to most of the logistics challenges in this questionnaire, then congratulations are in order.

While you're managing to keep things afloat, there's always room for improvement. Consider this as an opportunity to take your business to the next level by fine-tuning your operations.

- You're on top of your logistics and you can see overall it's going well for you.
- Start by reviewing your current trucking and warehousing processes and identifying areas where optimizations could be made. A small adjustment on your part could lead to significant improvements.
- Have you made a full evaluation of how new fees from Amazon are affecting your existing strategy? Can you confidently say, 'My current strategy is holding up despite these changes'?
- What about those past-season slow sellers? Have you thought about ways to shift them and convert them into cash?

Keep up the good work, and don't hesitate to explore new strategies to continue growing and evolving.

## **Mostly 'Could Be Better':**

We definitely didn't mean to make you feel like you're back in Middle School. And rest assured, we are here to offer some support and a gentle nudge in the right direction.

- In general your process is effective, but the ever-changing policies and constant market shifts mean you have logistics improvements to make. It could mean more margin for you.
- Start by identifying the areas that need the most attention and focus your efforts there - is trucking and restocking timely and in control? Are your fulfillment centers strategically located? Is Seller-Fulfilled Prime the best thing for your business right now?
- Do you suspect other strategies may be better but have no time or ideas how to research or implement? It may be time to devote some energy to it, or get some help.

While the amount of work involved in changing and fine-tuning your strategy may appear overwhelming, we are confident that once you critically consider your next steps, you'll begin to see positive results and increased cash flow. You'll say, 'Why didn't I do this months ago?'

## **Mostly 'I'm Completely Lost'**

Maybe there's a bit too much month left at the end of the logistics budget, and your margins are being impacted. Luckily for you, this can be improved, and we're here to help.

Start with the low-hanging fruit: What seems most attainable to you?

- How about looking around for some trucking quotes and see how that compares to Amazon's offering or whatever you are currently using?
- If Amazon fee increases are getting you down, time to make some price projections for FBM and other vendors and see what it can do for you.
- Where are your customers based? Is it time to get a fulfillment center nearer to them so they can enjoy superfast shipping and you can enjoy more happy customers?
- Cash tied up in stock that isn't shifting? Your reverse logistics story could generate cash in hand for your business.

Consider bringing a trusted partner on board, such as our team at Simple Forwarding. We specialize in streamlining ecommerce logistics to help your business overcome its challenges and thrive - while taking the daunting task of organizing logistics off of your shoulders.

# NEXT STEPS

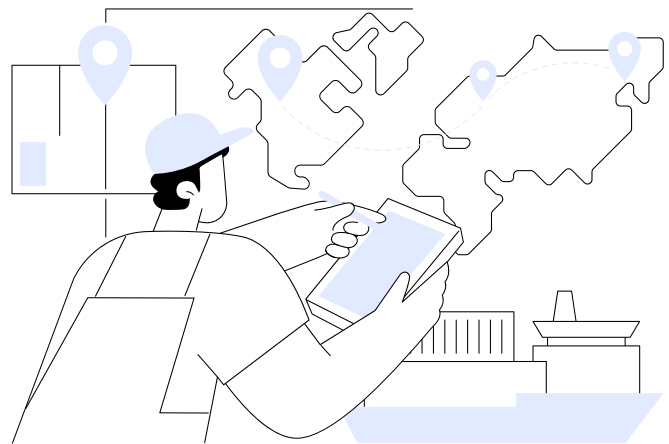


If you haven't already, download and read through our guide, *Supply Chain Master: Advanced Logistics Strategies for Amazon & eCommerce Success*. It's got a ton of strategies for upleveling your logistics that we've gathered over years of working with Amazon and eCommerce sellers. We designed it to help uplevel and scale your business!

# WE CAN HELP

Think of Simple Forwarding as your partner in the shipping world. We're great at smoothing out those kinks in your supply chain so that everything runs like clockwork.

We're more than just a freight forwarding service; we're an extension of your business, dedicated to fueling your growth with smart and efficient logistics. Our commitment is straightforward: ensuring your inventory arrives precisely when and where you need it. We help fine-tune your supply chain for peak performance.



We believe in doing more than just moving containers from point A to point B. We are committed to being your partner in the intricate world of freight forwarding, ensuring that every shipment is handled with utmost care and personal attention - the white-glove service you deserve.

Our expert team is always ready to help grow your business with better logistics. Please give us a call at +1 (212) 203-5575 or email [Sales@SimpleForwarding.com](mailto:Sales@SimpleForwarding.com) if we can help.