



Big Dipper
Wax Works'
Brent Roose

7 powerful holiday- season SHIPPING TIPS

Customers and experts share their best ideas for fast shipping and satisfied customers.

BY JOHN HIATT

Shipping is a big part of whether you'll be successful during the busiest time of the year - or fail in the eyes of your customers. Here's how to make your business a peak-season shipping powerhouse.

1 PUT HOT INVENTORY NEAR THE PACKERS.

At Seattle's Big Dipper Wax Works, the top 20 sellers are one or two steps from staff. "Less steps will get the product out the door quickly," says co-owner Brent Roose. That's critical at peak times, when the company's organic beeswax candles buzz out that door four times faster than usual.

Stock up on standard-size boxes, packaging material and tape. "Companies often focus on their product or inventory and don't spend enough time making sure they have the right packing materials on hand," says Quint Marini, UPS package engineering manager. "That will slow down fulfillment."

2 GET STAFF UP TO SPEED.

Lock in your staffing needs for peak season early, says Bala Ganesh, a UPS marketing manager. "Proper training takes time and, as you get closer to peak season, it become harder to find the right people." One option: Recruit and sign contracts with college students willing to work the holiday season and bring in these temps for paid training sessions.

3 FORECAST EARLY.

"It's critical to predict peak season demand as closely as you can," says Ganesh. "One way is to track fast movers during promotions earlier in the year and dovetail that with prior-year experience."

That's what works for Wine Country Gift Baskets. The Fullerton, Calif., company does 80 percent of its sales in December, shipping up to *200,000 baskets a day*, compared with 2,000 per day during other months. "Last year we were within three-tenths of 1 percent of our forecast," says Bill Shea, general manager.

The company tracks orders, and e-mail promotions and digital advertising results. "We get a lot of holiday-delivery orders early in October and use that as an early indication of how things are going," Shea says. "During December our team meets every day to tweak things."

4 PUT TECHNOLOGY TO WORK.

Atlantic Home Entertainment and Stereo, a high-end Costa Mesa, Calif., home-theater retailer, automated receiving and shipping last year. Inbound parts are now barcoded by project. The system creates a pick list that techs use to select the parts they need, and prints UPS shipping labels. "What used to take one person half a day now takes 10 minutes," says Tom Farinola, owner and president.

Big Dipper Wax Works got a similar payoff from integrating its Mac-based NRGShip software with the company's Filemaker Pro database. "We save at least three minutes per order," says Roose.

5 MASTER THE ONLINE WORLD.

It's a safe bet that online sales will spike again in 2014. Online buyers tend to be last-minute shoppers, so you have to be ready for that late-season influx, Ganesh says. Consider using promotions to encourage sales earlier in the season.

Also, make sure your website integrates shipping options with the shopping cart, and let customers choose shipping speeds.

Be clear about the last day to buy and still get a pre-Christmas delivery.

"It's important to set realistic expectations for consumers," Ganesh says.

6 PREPARE FOR RUSH ORDERS.

"You should have a separate line station dedicated to these orders, or at least flag them for special handling," Ganesh says.

It also helps to be flexible and fast on your feet. At Wine Country Gift Baskets, the peak season team (including a UPS rep) monitors sales daily and tweaks pre-assembled baskets to adapt to shifts in demand. If a certain basket is not selling as well as expected, staff may decide to break down its components to make more of

the faster-selling baskets, Shea says, to keep order fulfillment moving quickly.

7 RALLY 'ROUND THE FLAG.

At Big Dipper Wax Works, at overwhelming times, everyone steps in to help get orders out the door. "We as owners are in the trenches with everyone else, and we'll bounce into shipping when it gets really crazy and people are falling behind."

"Our No. 1 message is that we serve customers, one at a time," says Shea at Wine Country. "That tone is set from the top." All staff members are aligned with that customer service approach.

How UPS is preparing for the 2014 holiday season

Planning for the holiday season begins the minute the last one ends. And we're confident we'll be ready. One important change impacts the holiday schedule. In years past, the day after Thanksgiving – Black Friday – was a UPS holiday, with limited service for air packages. This year, Nov. 28 is a regular shipping day: all ground and air packages will be delivered and picked up.

UPS also has taken decisive action in these key areas:

- **Volume forecasting.** We've teamed with our larger retail customers to better forecast e-commerce volume.
- **Network capacity.** We've expanded the UPS network by adding and expanding facilities, with 50 new hub sorts increasing capacity by about 2.5 million pieces per day. We've added more than 6,000 new package cars, nearly 1,000 new LNG (liquefied natural gas) tractors and more than 11,000 trailers. We expect to hire between 90,000 and 95,000 seasonal employees to handle the extra volume.
- **Shipment visibility and enhanced communication.** We've made graphic and messaging improvements to UPS tracking. If weather issues develop, alerts will be more prominent on ups.com. From the service alerts page, you'll be able to enter a ZIP Code to see if it's been impacted by weather. A new holiday help center at ups.com launches in November to answer your questions and provide guidance.

Many of these investments are to ensure this peak season runs smoothly, but facility, equipment and technology improvements will be important to our customers well into the future.