

# Delivering Efficiency in the Age of Amazon

In the age of Amazon, delivering merchandise to the end consumer quickly, affordably, and on time is expected. Retailers must meet these expectations to win customers' business. **In fact, consumers won't even complete purchases if their expectations aren't met.**

**60% to 80%**  
of items put into online shopping carts never make it through the checkout line.



**Why?**

- Unexpected extra costs (shipping, taxes, and fees).
- Too much complexity in the checkout process.

**62%**

of shoppers who choose **FREE** shipping still expect orders to arrive in less than **3 business days**.



## How Can Retailers Meet Delivery Expectations?



### Keep Inventory Close to Customers

- **Operate stores as fulfillment centers**
  - Forward-deploy inventory as needed
  - Ship direct to consumers
  - Bypass the lag of large distribution centers
  - Save an average of 5-10% annually on final-mile costs, according to Coresight Research.
  - Reduce transit times by up to 65%.
- **Offer click-and-collect delivery models**
  - Curbside pickup and buy online, pick up in store (BOPIS) increased by 107% in 2020.



### Deliver in 2 Days or Less

- **Be transparent with shipping rates**
  - Shoppers are more likely to complete a transaction when there are no surprise fees
- **Offer air transport**
  - The fastest and shortest distance between any two points is by air.
  - Find a delivery partner with air cargo to accelerate cost savings and customer satisfaction



### Use a Logistics-as-a-Service Provider

- **Increase operational efficiency**
  - Trusting a professional logistics provider allows stores to focus on selling and service



### Provide Easy Returns

- **Allow online orders to be returned in-store**
  - **Nearly 21%** of everything sold online gets returned, according to the National Retail Federation
  - **62% of shoppers** are more likely to shop at an online retailer that allows for in-store returns
  - **92% of consumers** surveyed said that they will buy again if the return process is easy.