



[PEAK DOCUMENTATION WORKBOOK]

# Using Peak Season Lessons to Build the Case for Shipping Software



# Need a new shipping strategy?

## Start with the **facts.**

This workbook is designed to help your company track key data points during the peak shipping season. With input from ProShip software architects and shipping experts, the information you compile from this workbook will provide the ground work for a new, improved shipping strategy that meets the needs of your company today, tomorrow and in the future.

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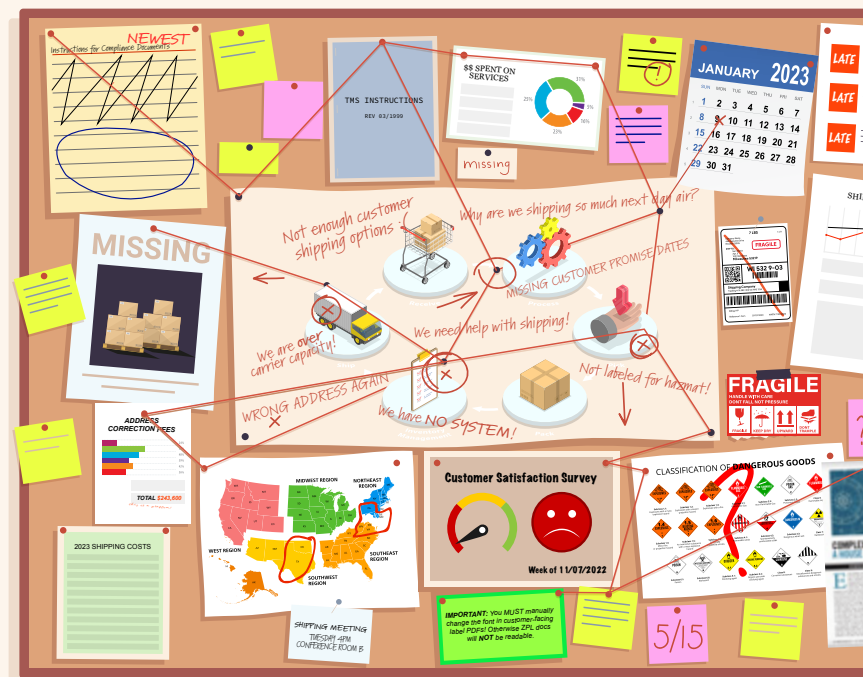


Scan the QR code for instant access to the corresponding **[Decoding the Data] Peak Season eBook!**



First, let's look take a look at an example of how to record your peak season shipping experience and what information you'll need to calculate the **potential savings** a new shipping software solution can bring.

Continue to page 3 to get started!



# [EXAMPLE]

## Peak Documentation

### Daily/Weekly Logistics Post Mortem Report

Remember these key areas to consider from the [ebook](#):

- **Hardware** - is the automation provided by hardware creating the value it should?
  - Sorters, Put Wall Capacity, PandA, Conveyors, etc.
- **Software** - is the integration of your Enterprise Software Stack (ESS) functioning as it should?
  - Manual Data Entry, Capacity, Visibility, and Customer Expectations
- **Operations** - how is everything else functioning?
  - Carrier Bays, Package Handling, Labor, Carrier Selection, Fulfillment Time



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### How do you structure this? *Example entry*

Date Start: *11/ 27 / 2022*

Date End: *12/ 3 / 2022*

#### What went well?

*Staff morale is acceptable. (manual labeling below not helping)*

*Carrier door usage schedule improved. No more trailers waiting in the lot. Remember to use Jeff's plan in 2023.*

#### What went okay — how to improve?

*Post-PandA sorters needed to be adjusted to prevent packages from falling off of the conveyor. Maybe we should replace the 90° turn with two 45° turns?*

*Racks on row 14 are taking damage from forklifts. New bollards are needed.*

#### What went completely wrong — what to replace?

*Wave processing is not allowing full utilization of labor. Too much idle time near the end of each wave. Continuous processing is badly needed.*

*PandA installations failed to keep up with their expected throughput. Web-based shipping software is too slow, and not responsive. Staff has to manually re-label many packages.*

*Due to poor support from the shipping software vendor, overall shipping spend not optimized, and still sending too many packages via wrong/expensive services due to not accounting for this week's surcharges. :( - Remember for possible 23' RFP*

# [EXAMPLE]

## Savings Calculator Worksheet

Did you know that some enterprise shippers see a shipping software ROI in only **WEEKS** during peak season? Helping you with your ROI. Here is some of the basic information you'll need in order to calculate a legitimate ROI for multi-carrier shipping software.

### Example entry

Savings Area	Ex Input	Notes	Data Type
Average Shipments Per Day	10,000	Annual Volume/Shipping Days Per Year	Throughput
Average Shipment Cost - Parcel/LTL	\$8.00	Per shipment cost (parcel/LTL)	Transportation Spend
Hourly IT Employee Rate (\$/HR - FTE)	\$50	Average Full Time Employees - IT Department	Labor
Hourly Warehouse/Customer Service Employee Rate (\$/HR - FTE)	\$20	Average Full Time Employees - Customer Service Department	Labor
Working Days (Month/Annual)	264	Annual Working Days (Avg. 5 Shipping Days Per Week)	Labor and Throughput
Do you Rate Shop Today?	N	Do you automatically select the best-cost carrier/service per package shipped within one system?	Technical
% of Shipments Requiring Tracking/Reporting	10%	Automated tracking can provide proactive reporting rather than reactive	Labor
YoY Growth %	10%	Projected Volume Growth	Throughput

### May or may not pertain to you:

- **% of shipments billed third-party:** automation here reduces time to ship (labor savings)
- **Shipment markup fee off base :** 3PLs using their own rate can automate markup/markdown logic (billing savings)
- **% of shipments receiving markups**

Savings Type	Ex Input	Notes	
Average Savings Area - Speak with a shipping expert to drill down into your unique savings	6%	Industry Average 6-8% Freight Spend Savings	Freight Spend
Address Validation (AV) Impact (% of Shipments)	7%	What is monthly or quarterly AV carrier invoice fees? Avg. \$12 fee?	Fees
Time Savings Per Package Shipped (seconds)	3	Example - eliminated manual inputs to shipping station during processing	Labor
Resources Supporting Your Shipping Solution	12	How many FTE support Current Solution?	Labor
Shipping System Management Savings (% Time Saved - FTE)	25%	Shipping software savings for workflow automation, eliminating IT manual tasks, eliminating system downtime and providing standard for ongoing management and improvement.	Labor

Industry Average!

## [FROM THE EBOOK]

# 4 Risk and ROI Calculation Examples

Let's take a look at how utilizing the right multi-carrier shipping software can boost your savings, eliminate fees and provide a solid ROI in just MONTHS (as seen on page 9 of the ebook).

### SAVINGS

#### Freight Spend + Expected Savings

(Annual)

- **10,000** shipments per day
- **\$8.00** average shipment costs
- **264** shipping days per year (*This means your shipping spend is **\$21 million per year***)
- **100%** shipments are rate shopped
- **6%** expected savings (*using lowest expected savings percentage*)

**\$1.267 MILLION**

*in savings from Rate shopping during calendar year (264 days)*

#### Freight Spend + Expected Savings

(During Peak Black Friday to December 24th)

- **30,000** shipments per day
- **\$8.00** average shipment costs (*This may go up due to peak surcharges - pay attention!*)
- **29** shipping days per year (*This means your shipping spend is **\$6.96 million during peak***)
- **100%** shipments are rate shopped
- **6%** expected savings (*using lowest expected savings percentage*)

**\$417,600**

*in savings from Rate shopping (in 29 days)*

### FEES

#### Address Validation Costs that Could be Avoided

(Annual)

- **10,000** shipments per day
- **7%** of shipments receiving address correction fees
- **264** shipping days per year
- **\$12** per address correction fee

**\$2.2 MILLION**

*in address correction fees*

#### Address Validation Costs that Could be Avoided

(During Peak Black Friday to December 24th)

- **10,000** shipments per day
- **7%** of shipments receiving address correction fees (*this may go up due to peak surcharges - pay attention!*)
- **29** shipping days per year
- **\$12** per address correction fee

**\$243,600**

*in address correction fees*

#### Non-Quantified Savings Areas

- Ability to add new carriers with ease and eliminate lead times
- Ability to leverage multi-carrier system in negotiations with carriers (*Large retailers have saved \$1m+ in negotiations by leveraging ProShip!*)
- Business Rule Control
- LTL Eased Operations (*outbound*)
- Strategic Organization and Standardization
- Billing Reconciliation - Streamline Processes
- Accuracy of Rate Shopping
- Carrier Compliance and Version Updates included via shipping system

**Additional Considerations!**

# Daily/Weekly Logistics Post Mortem Report

Remember these key areas to consider from the [ebook](#):

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- **Software** - is the integration of your Enterprise Software Stack (ESS) functioning as it should?
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Date Start:     /     /

Date End:     /     /

## What went well?

## What went okay — how to improve?

## What went completely wrong — what to replace?



# Savings Calculator Worksheet

Did you know that some enterprise shippers see a shipping software ROI in only **WEEKS** during peak season? Helping you with your ROI. Here is some of the basic information you'll need in order to calculate a legitimate ROI for multi-carrier shipping software.

Fill in your unique data:

Savings Area	Input	Notes	Data Type
Average Shipments Per Day		Annual Volume/Shipping Days Per Year	Throughput
Average Shipment Cost - Parcel/LTL		Per shipment cost (parcel/LTL)	Transportation Spend
Hourly IT Employee Rate (\$/HR - FTE)		Average Full Time Employees - IT Department	Labor
Hourly Warehouse/Customer Service Employee Rate (\$/HR - FTE)		Average Full Time Employees - Customer Service Department	Labor
Working Days (Month/Annual)		Annual Working Days (Avg. 5 Shipping Days Per Week)	Labor and Throughput
Do you Rate Shop Today?		Do you automatically select the best-cost carrier/service per package shipped within one system?	Technical
% of Shipments Requiring Tracking/Reporting		Automated tracking can provide proactive reporting rather than reactive	Labor
YoY Growth %		Projected Volume Growth	Throughput
% of Shipments Billed 3rd Party		Automation reduces time required to ship	Labor
Shipment Markup Fee Off Base		3PLs using their own rates can automate markup/markdown logic	Billing
% of Shipments Receiving Markups		Same as above	Billing

*May or may not pertain to you.*

**HOT TIP!**

**Break out costs/savings in a 5-year plan.**

This is where you include your YOY Growth % after the 1st year.



# Savings Calculator Worksheet

(continued from page 7)

Savings Type	Input	Notes	
Average Savings Area - Speak with a shipping expert to drill down into your unique savings		Industry Average 6-8% Freight Spend Savings	Freight Spend
Address Validation (AV) Impact (% of Shipments)		What is monthly or quarterly AV carrier invoice fees? Avg. \$12 fee?	Fees
Time Savings Per Package Shipped (seconds)		Example - eliminated manual inputs to shipping station during processing	Labor
Resources Supporting Your Shipping Solution		How many FTE support Current Solution?	Labor
Shipping System Management Savings (% Time Saved - FTE)		Shipping software savings for workflow automation, eliminating IT manual tasks, eliminating system downtime and providing standard for ongoing management and improvement.	Labor

## Freight Spend + Expected Savings

(Annual)

- \_\_\_\_\_ shipments per day
- \$\_\_\_\_\_ average shipment costs
- \_\_\_\_\_ shipping days per year
- **264** shipments are rate shopped
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\_\_\_\_\_ in savings from Rate shopping during calendar year (264 days)

## Freight Spend + Expected Savings

(During Peak Black Friday to December 24th)

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## Address Validation Costs that Could be Avoided

(Annual)

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\_\_\_\_\_ in savings from Rate shopping during calendar year (264 days)

## Address Validation Costs that Could be Avoided

(During Peak Black Friday to December 24th)

- \_\_\_\_\_ shipments per day
- \$\_\_\_\_\_ of shipments receiving address correction fees (this may go up due to peak surcharges - pay attention!)
- **29** shipping days per year
- \$\_\_\_\_\_ per address correction fee



\_\_\_\_\_ in savings from Rate shopping (in 29 days)



# Ready to start saving on shipping? Talk strategy with **ProShip**.

You've gathered the facts on your current shipping process - now it's time to take action. Contact a ProShip shipping expert to discuss your calculations in detail and see how ProShip can transform your company's year-round parcel strategy today.

**Contact us  
to schedule**



**(800) 353-7774**



**[sales@proshipinc.com](mailto:sales@proshipinc.com)**

**Record your total potential savings here** (impressive, right?!)



#### About ProShip, Inc.

ProShip, Inc. is the most trusted global provider of automated multi-carrier shipping software. ProShip empowers its customers to ship at lightning speeds, stay carrier compliant 24/7/365 and build stronger-than-ever customer revenue streams. With over a decade of enterprise experience in the shipping and supply chain industry, ProShip's time-tested technology and advanced functionality continues to remain unmatched. Customers who choose ProShip, choose the number one in speed, compliance, reliability and experience. Go beyond the box with ProShip. For more information, please visit [www.proshipinc.com](http://www.proshipinc.com).

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