



Freight 101:

A Beginner's Guide to Freight Services for Optimal Understanding

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Shipping freight to your customers can be complex and stressful if not executed appropriately. Partnering with a shipping service that provides end-to-end solutions gives you peace of mind. This includes quoting, booking, tracking, and managing your shipments on one platform. There are many platforms to choose from, but you must choose one that strikes the perfect balance between the services you need, the quality of services, and the rates.

But first, what are the basics of freight shipping? Read more to find out:



Different Types of Freight Services

There are three types of primary freight services:

Less than truckload

Less than truckload, or LTL, refers to a delivery service for relatively small freight quantities or loads that do not require the space of a full truck. When a carrier provides LTL services, it means they carry multiple freight loads from different businesses in one truck. This is a cost-effective shipping method that is helpful if you are shipping heavy items like furniture but not an entire truckload of merchandise to a single location.

Less-than-truckload (LTL) shipments are shipments that are larger than parcels, typically weighing between 150lbs to 15,000lbs. This may also include packages with unique dimensions that do

not fit the parcel requirements listed above. The defining factor of LTL shipments is that, while large, they do not take up an entire truck.

The LTL freight carriers merge the shipment requirements of different companies on their trucks. This process makes shipping a small load cheaper than hiring an entire truck for the same quantity.

Some LTL carriers also provide an Assembly Service option for a premium customer experience. It can be availed at an additional cost.



Full truck load

Full truckload, or FTL, features a truck carrying a single dedicated shipment. It reserves the journey for only one shipment and has several benefits. You can deliver large shipments that fill or almost fill an entire shipping container at cheaper shipping rates. In addition, you face fewer weight and size restrictions when using FTL.

The shipments reach their destinations sooner since the truck does not have other drop-offs along the way. You also have a lower risk of damaged or lost goods since FTL transport has less handling.



Ground and parcel shipping

Parcel shipments are small shipments weighing under 150lbs, with dimension regulations of less than 165 inches of combined length and girth and a maximum of 108 inches in length, according to UPS parcel standards. The defining factor of a parcel shipment is the ease at which a carrier can lift and deliver the shipment.

Compared to LTL and FTL, ground and parcel shipping is **more suited for businesses wanting to ship smaller and lighter items.** It typically offers the cheapest shipping option for domestic deliveries. Hence, this freight service is ideal for sellers offering free domestic shipping. A major benefit of ground and parcel shipping is its reliable tracking, with seasoned truck drivers anticipating the duration between destinations.



Aside from these, other freight service categories you can find are:

- Air freight,
- Ocean freight
- Railway freight.



Different types of delivery services

Understanding the several types of delivery services helps you choose the best-suited option for your requirements.

Here are six kinds of delivery services you can choose:













Back of truck - The delivery agents bring your parcel to the back of the truck for the customer to unload. You can opt for a liftgate service, where they lower the items to the ground.

Curbside – The delivery agents bring your package to your customer's address by pulling it up to the front of their house. They place the parcel onto the lift gate behind the truck, lower it, and push it onto the sidewalk in front of your customer's home.

Threshold + basic - Delivery agents take your cargo to the first door of the address, placing it in the nearest dry area for protection. They can also drop it in the lobby of a condominium or apartment.

Room of choice - The delivery agents deliver your product to any room your customers desire. They only need to ensure there is a clear path and placement section.

White glove (packaging removal) – The delivery representatives carry the parcel into your customer's home and remove any packing materials.

White glove (light assembly) – The delivery agents assist in professionally assembling your delivered product after bringing it to your customer's home. Light assembly typically does not take more than 30 minutes.

Choosing the right carrier

Selecting the right carrier is essential to ensuring your products reach their destination safely. Consider the following guidelines to ensure you choose a suitable carrier for your products:

Cost and quality of services

It is critical to consider the shipping price and service quality before choosing a carrier. Shipping carriers with the cheapest rate may not be the best choice for your needs. It is equally essential to consider factors like damage rates and delivery speeds to ensure they meet your shipping requirements.

Reliability

Reliability is the core element for running a successful shipping carrier enterprise. Hence, you want to consider a carrier's reliability before deciding. Although you may save money in the short term, unreliable shipping services may result in considerable and long-term financial losses.

Besides, it is critical to consider transparent communication in evaluating reliability. It keeps you updated regarding your shipment status while keeping the carrier accountable.

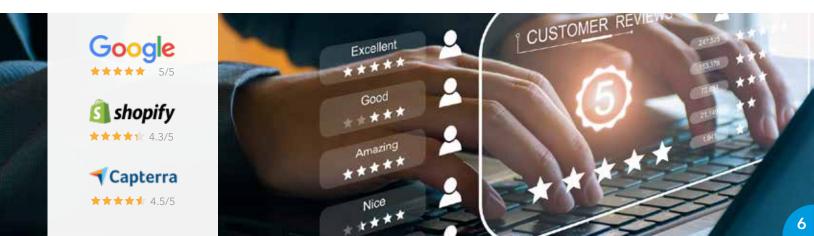
Types of products you are shipping

When picking a carrier, you must consider the product types you intend to ship. You want the shipping carrier to offer specialization services if you deal with unique items, such as perishable goods.

The delicate products require specific transportation expertise since the slightest error can have heavy consequences. Heavy items such as furniture, exercise equipment, and heavy appliances must be shipped via carriers specializing in big and bulky items.

Reviews and testimonials

Reviews and testimonials can help you learn more about the carrier's reliability and reputation. They offer an opportunity for a background check, where you can verify a carrier's performance. You need to determine how efficient the service provider is and decide the best carrier for your business needs.



Delivery times

You should know how long your items can be in transit and maintain excellent condition when they reach your client. Knowing the shipping times can help you correctly calculate and use delivery times that do not compromise your product quality.

Delivery speed is another aspect to consider when looking at delivery times. <u>61% of consumers</u> are open to paying more to get same-day delivery, showing the relevance of efficiency. You need to consider how much you are willing to pay for urgent delivery. It is also necessary to think of your desired timing, including now, within hours, or same-day delivery – considering business days.

Tracking

Tracking enables you to monitor the whereabouts of your parcels. It enhances transparency in the delivery process, giving you peace of mind. Real-time tracking provides an automated update of your product's location as it moves through the supply chain.

Calculating shipping costs and quotes

Ensure that you are calculating your shipping costs beforehand. It is key to providing your customers with transparency. Estimating shipping costs also helps your business in:

- Budget planning
- Transparency
- Choosing between options

How to package products

Products packaging is essential for reducing damage rate and claims rate, and protecting against damage. You can adequately package the parcels using appropriate inner and outer materials. Internal packaging materials include bubble wrap, corrugated board, Kraft paper, and engiC neered form enclosures. Materials that can be used for external protection are plastic, fiber-based solutions, wood, steel, and plywood.





How to reduce damage rate and minimize shipping losses?

Learning the primary causes of product damage can help your efforts to improve customer service and minimize damage rates. The factors that cause damage are:

- Improper packaging
- Incorrect/missing shipping labels
- Theft
- Environmental damage



How to minimize shipping losses?

Save your business time and money and avoid stressful situations by taking a few preventive measures to lower damage. You can reduce your shipping losses using the following guidelines:

- Proper packaging and labeling. Ensure critical documents like Bill of Lading (BoL) and shipping labels are used accurately.
- Choosing the right shipping carrier and the right delivery service

Why is insurance important?

Shipping insurance refers to the protective measure of securing shipment products. It protects your shipment in unfortunate situations, like theft, improper handling, and damage. This insurance is essential since it assumes financial responsibility for the parcels until they reach their destination. You can avoid high repair or replacement costs from damaged goods by using shipping insurance.

In a 2017 Statista Consumer Survey, 80% of respondents cited damaged or broken items as the primary reason for returning items they purchased online. Depending on product category, customers self-report returning between 5% and 18% of the overall purchased product from eCommerce stores. Shipping insurance can help you refund unsatisfied customers, depending on your coverage.



- The following factors determine shipping insurance cost: • Volume
 - Type of product • Distance
 - Claims history

Claim and case management

A freight claim is a legal demand by a shipper or by an insurance provider for financial reimbursements. It occurs when dealing with lost or damaged parcels. You can find six types of freight claims:

- Damage claim
- Concealed damage claim
- Refused claim
- Loss claim
- Shortage claim
- Concealed shortage claim

What Is freight claim management software?

Freight management software is an application for streamlining freight claim management processes. It simplifies the workflow procedures with the latest management technologies. The software offers tools to optimize operations, such as carrier claim payments, information management, document storage, and data entry.

How to file a freight claim

The filing process involves filling out a claim form with data. Such information includes the value of goods and the specific type of claim you are filing for. You must also provide complete documentation to speed up the claim filing procedure. The filing must include a demand for payment by an insurance provider to complete the process.

You need supporting documentation when filing a freight claim. Examples include loss notification, original lading bill, paid freight bill, inspection reports, and photographs. Furthermore, it is advisable to file a freight claim promptly to avoid the risk of missing filing deadlines.

Deadlines typically differ by insurance providers and mode. For instance, some insurance providers may require initial damage notification within 15 days.



Freight analytics

For the freight industry, analytics is crucial. The data helps businesses improve operations, which enables them to gain insight into relevant metrics and make better business decisions. Freight analytics provide the following benefits:

- Helps create responsive and proactive business processes
- Enables continuous improvement
- Enables strategic decision making
- Minimize damage and maximize ROI



Choosing the right shipping platform

Choosing the right shipping software is crucial because it can aid in growing your business. With several options available, it may be challenging to know the suitable pick. What should you look for when choosing the right shipping software?

API integrations

A report showed that <u>98% of organizations consider APIs extremely important to their operations</u>. API integrations help streamline your business by integrating and automating the shipping process.

Analytics

Utilizing freight analytics effectively is key to optimizing the shipping and after-shipping processes. Freight analytics provides insight into key metrics such as shipping and transit times, damage rates, reasons for damage etc.

Order Management Systems

Order Management Systems, or OMS, is a central platform where multi-channel sellers manage orders from several channels. It helps to track and control all the processes for smooth and efficient operations.

Order Management Systems aid your business in tracking all orders, monitoring and managing inventory, and facilitating order fulfillment. It can also encompass reverse logistics to help you handle return goods and deal with concerned customers.

Carrier networks

It is critical to work with a shipping platform that offers integration with multiple carriers and access to more services. Choosing a shipping platform that partners with multiple pre-vetted, reliable carriers is your best bet for maximizing your shipping options.

Delivery levels

If your business requires a specific type of delivery, ensure that your shipping partner offers the necessary support for the same.

For instance, if you are a furniture retailer offering assembly and room-of-choice services to your customers, opt for a freight partner that is an expert in white glove delivery.

Tracking and quoting

It is necessary to ensure the software incorporates tracking capabilities for you and your customers. It is important to find a platform with additional features for optimal performance. However, it is easier to have access to a central location on the software, letting you view all the critical information from tracking numbers to the current shipment status.

End customer support

When choosing a shipping platform, look for an option that offers support to manage shipping-related issues. Effective software means the customer service representatives know the ins and outs of parcel transit and other shipping-related queries. They do not just read from a script. Customer experience is very critical to growing your business; ensure you partner with a shipping platform that can provide your end customers with a good experience.



Reasonable pricing

When choosing shipping software, you should look at the company's pricing options. Your shipping volume is the most significant element that determines your software costs. You need to invest in quality platforms that support your shipping processes. Be on the lookout for companies offering enterprise rates for shipC ping–these can save you money and increase your profits.

Shipping can be a complex, time-consuming task. But the right partners make it almost effortless. Whether you're shipping one demo unit or hundreds of daily-deal packages, it's important to streamline your shipping process. By streamlining and automating processes through the right shipping platform, businesses have an easier time hitting their deadlines, increasing revenue, and boosting profits. The key is finding the platform that not only provides the services you need but also optimizes every aspect of your shipping process. PartC nering with a strong and reliable shipping partner can help you to simplify your shipping process and save on your costs.

The Freight Club Advantage

Freight Club is a leading end-to-end shipping platform that helps retailers effortlessly manage everything from booking and tracking to complete claims management and shipping protection with zero subscription fees.

As part of Cymax Group Technologies, a leading eCommerce technology and services provider in the furniture industry since 2004, we offer retailers enterprise rates with no volume restrictions with up to 7 levels of LTL drop shipping services, from back of truck to white glove light assembly, across the U.S.

Our extensive carrier network provides furniture retailers with 40+ pre-vetted carriers to build a customized carrier mix for their specific products and needs. Our intuitive analytics dashboard gives retailers complete visibility of their shipping data, including carrier transit times, damages, and overages, helping them make fast, informed decisions based on real-time data and analytics at no additional cost.

Our team of logistics experts provide personalized support to our retailers, helping them optimize their shipping strategy, manage their claims process and ensuring that our customers have a smooth shipping experience at Freight Club.

Trusted by thousands of retailers, Freight Club has been proudly planting trees across the United States, promoting clean air, clean water, and the prosperity of biodiversity - at no cost to our customers or carriers.





Freight Club is part of Cymax Group Technologies, the leading eCommerce technology and services provider.