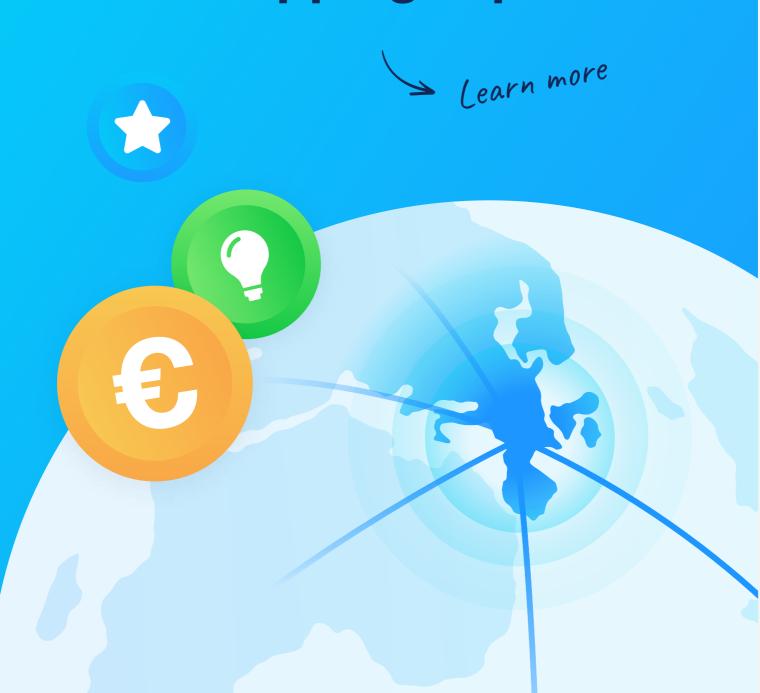




☑ Checklist

Tips for budgeting international shipping expenses







Effective budgeting and forecasting for international shipping can help you control costs and ensure reliable deliveries. This checklist offers clear tips to manage your shipping expenses and avoid unexpected costs. Let's make international shipping simpler and more cost-efficient!

CARRIER AND SHIPPING METHOD COST MANAGEMENT

Research international shipping carriers and methods

- Compare different carriers for international shipping and negotiate better rates based on your analyzed performance data.
- Check for special rates or discounts (volume-based) on international shipping.
- Assess the reliability and speed of each carrier's services.
- Determine if your customers prefer speed over cost, or vice versa.
- Align shipping methods with customer expectations and product value.

SHIPPING COSTS AND FINANCIAL PLANNING

Understand shipping costs and fees

- Identify all costs: base shipping rates, surcharges, and additional fees (e.g., fuel surcharges, remote area surcharges).
- Be aware of **customs duties** and **taxes** in the destination country.

Forecast return costs

- Forecast return shipping costs based on your expected sales, current return rate, and average return shipping cost per parcel.
- Consider offering a cost-effective and localized returns policy, and update your website with your new policy.

Plan for currency exchange rates

- Monitor exchange rates that affect shipping costs.
- Factor in potential currency fluctuations.

Consider shipping zones

- Understand how shipping zones impact pricing.
- **Negotiate rates** for frequently shipped zones.
- Consider strategic warehouse locations to minimzie shipping zone distances.

OPERATIONAL COST EFFICIENCY AND PLANNING

Anticipate operational adjustments

- Allow extra processing time for your team to handle the additional steps involved in international shipments.
- Adjust your workflow to accommodate international shipping complexities.
- Ensure staff are trained on international shipping requirements.



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O Use technology to cut costs

- Use shipping software to automate cost calculations and optimize carrier selection.
- Implement tracking solutions to monitor shipments in real-time.
- Set up automation for weight classes to prevent getting surcharges for corrections.

Prepare for seasonal variations

- Account for peak seasons when shipping costs may rise.
- Adjust your budget to reflect seasonal shipping trends.
- · Consider using alternative carriers during peak seasons to manage costs.

PACKAGING COSTS AND INSURANCE

Optimize packaging

- Use the smallest packaging possible without compromising the safety of the items.
- Consider eco-friendly packaging solutions to reduce waste, costs, and appeal to environmentally conscious customers.
- Consolidate shipments where feasible to lower costs per unit.

Calculate dimensional weight (volumetric weight)

- Measure the package dimensions and weight.
- Use the carrier's dimensional weight formula to calculate the shipping cost.

Evaluate insurance options

- Assess whether shipping insurance is necessary based on the value and risk level of your shipments.
- Compare insurance options provided by carriers versus third-party providers.
- Include insurance costs in your overall shipping budget.

CUSTOMER COMMUNICATION AND SHIPPING INSIGHTS

Customer communication and expectations

- Clearly communicate shipping costs and delivery times to customers upfront.
- Prepare your customer support for an increase in WISMO requests due to longer transit times for international shipments.
- Consider offering tracking and notifications to enhance satisfaction.

Stay informed about global shipping trends

- Keep an eye on international trade regulations and changes in shipping laws.
- Monitor geopolitical events that could impact shipping routes and costs.
- · Stay updated with carrier announcements and global shipping news to anticipate changes in pricing or availability.

