Reducing Your Inbound Shipping Costs – What You Should Know

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Are you struggling to control your shipping company's costs? According to the Aberdeen Group, a business can spend over 40 percent of its annual freight budget on inbound shipping.

Effective management of inbound shipping can significantly reduce shipping costs and maximize returns for any business. While outbound shipping rates are generally negotiated by logistics managers, inbound costs are included in the procurement costs of the materials acquired.

To cut down your inbound shipping costs, here are some simple strategies you need to follow:

Implement a routing guide

Track and monitor inbound freight by creating a routing guide, as per your business requirements. You can create a guide manually or via shipping software.

A routing guide contains routing instructions and specific guidelines for suppliers, vendors, wholesalers and distributors to follow. It's used to streamline operations and

reduce costs.

Cost reduction

Controlling shipping costs is crucial for any business owner. Besides the fact that carriers update their rates frequently, factors like bad weather, incorrect customer address and more, can surge the cost of your shipping and deliveries.

A multiple-carrier software can help keep shipping costs under control. This is because the software allows business owners to compare rates offered by multiple carriers. You can select carriers offering shipping at competitive rates.

Understand what is negotiable

When it comes to negotiating with a shipping carrier, long-term contracts generally come with greater discounts.

However, there are several other costs that can affect your bottom line. For example, fuel charges can fluctuate almost every year. Although fuel prices depend on market forces, setting a fuel surcharge can protect your fuel rates from market instability.

Embrace technology

Combing technology and supply chain is necessary to improve shipping efficiency and reduce costs. Not only will software eliminate human errors, it also leads to enhanced visibility and control.

Business owners have many software options today. When shopping for software, make sure it's easy to use, accessible 24/7 and suits your shipping needs.

Collaborate with a strong, reliable partner

Shipping is necessary for all businesses, including startup and established companies. Fast, reliable and accurate shipping is only possible if you team up with a shipping company that understands your business. Furthermore, they should have the knowledge and resources to improve the speed of your operations and minimize errors.

ProcessWeaver specializes in providing multi-carrier, multi-modal and multi-platform shipping solutions for businesses, including B2B and B2B enterprises.

Founded in 2006, ProcessWeaver aims at leveraging technology and innovation for improving shipping processes.

The company's multi-carrier shipping solutions ensure painless integration with various ERP systems, such as SAP, Oracle, Sage and more.

Furthermore, ProcessWeaver's multi-carrier shipping software supports multiple carriers, such as DHL, FedEx, UPS, USPS, TNT, Purolator, LTL, and TL and freight forwarders.

ProcessWeaver has recently achieved FedEx Diamond Status for the year 2018. The company also achieved the FedEx Partner of The Year Award in 2012 and FedEx-compatible Diamond Service Provider in 2014.

Request a demo now.