



PROMAT®

2015

McCormick Place South | Chicago
March 23-26, 2015
promatshow.com

Fulfilling your Customers e-Commerce Expectations

Presented by:
Ken Chrisman

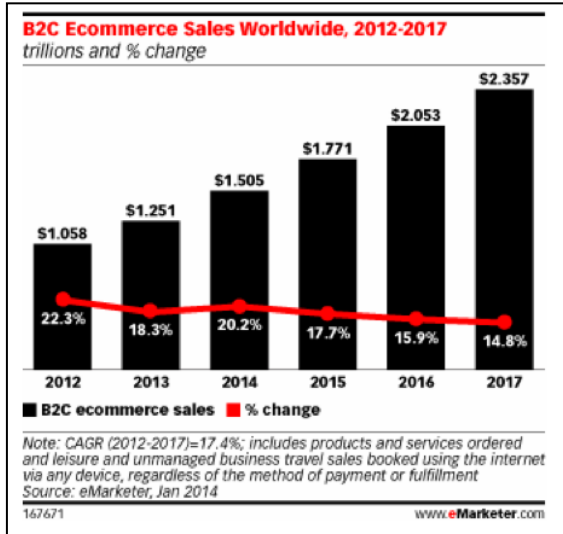
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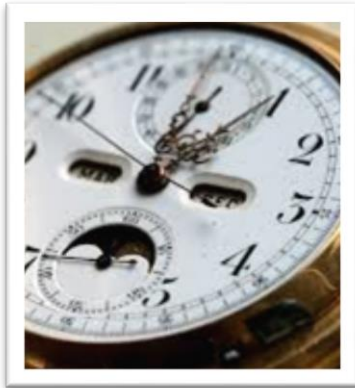
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e-Commerce Growth



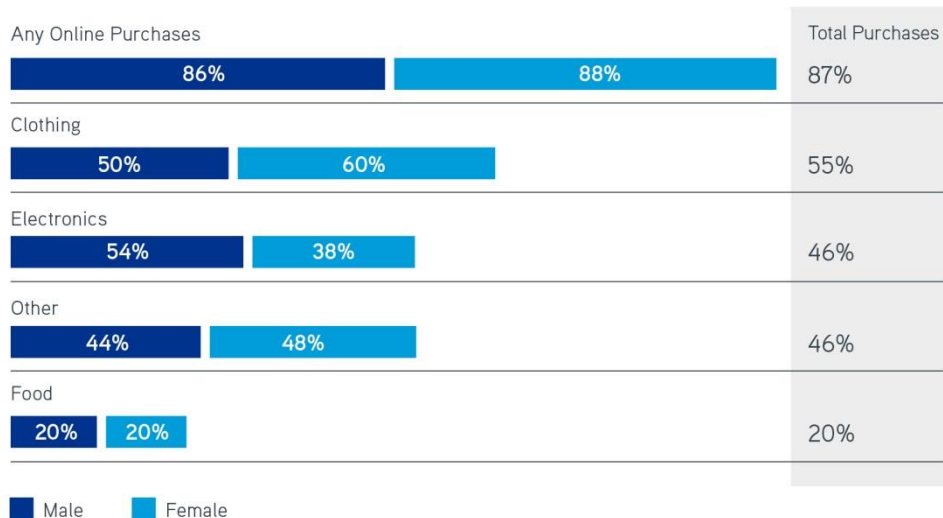
Packaging for e-Commerce Success

- Harris Poll of 2,000+ U.S. consumers, commissioned by Sealed Air
- Findings reveal what consumers want in packaging of online orders



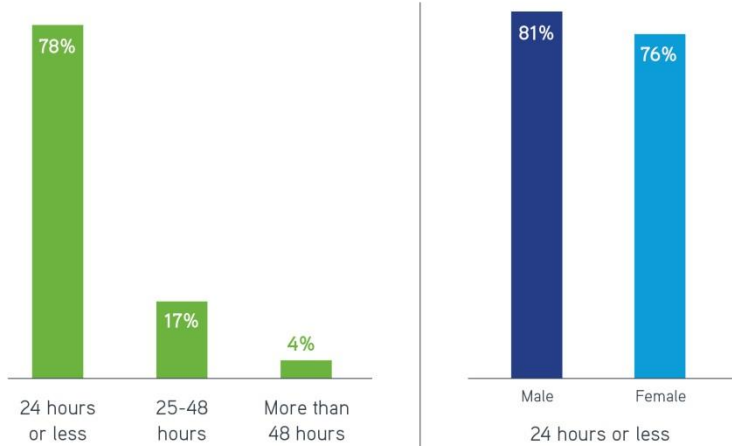
e-Commerce Purchases

Top e-Commerce Purchases



Speed and Convenience

Order Processing Expectations



Packaging's Role

Packaging Reflects on Retailer

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Retailer Cares



Value of Shipment

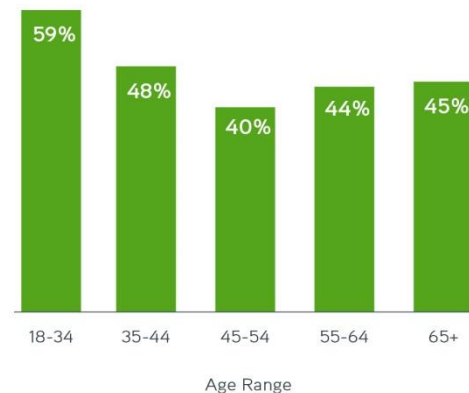


Environmental Commitment



Packaging Conveys Value of Shipment

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Packaging Awareness Growing

Packaging Design and the Environment



- Consumers pay attention to packaging materials and design
- They are **not** willing to risk product damage for the sake of environmentally-friendly packaging

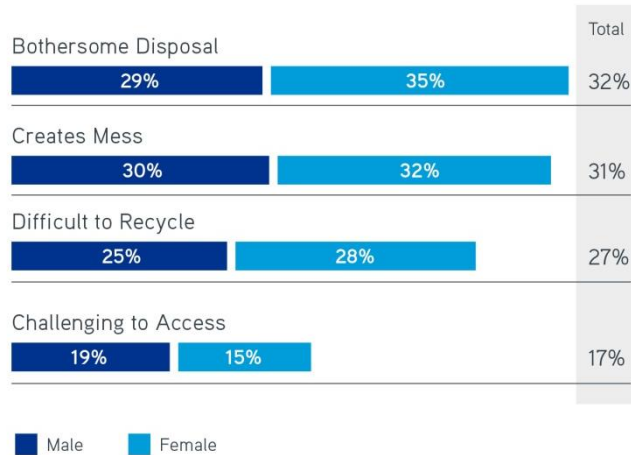
Packaging as a Competitive Advantage

- Consumers care about product presentation and protection
- Packaging can help retailers differentiate from competitors



Packaging Pet Peeves

Top Packaging Pet Peeves



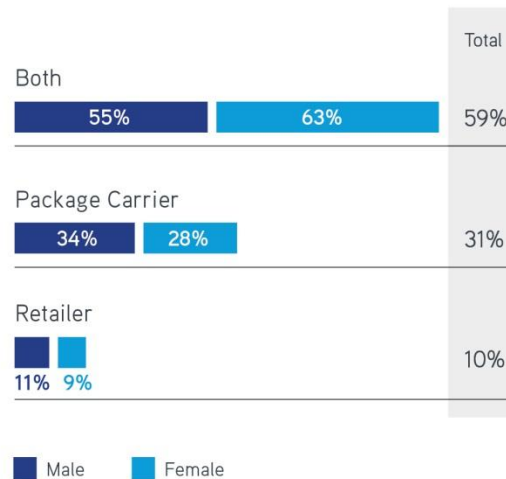
56% of consumers report having packaging pet peeves

Packaging Reflects on Retailers

Damage Affects Retailer Relationship



Who is to Blame?



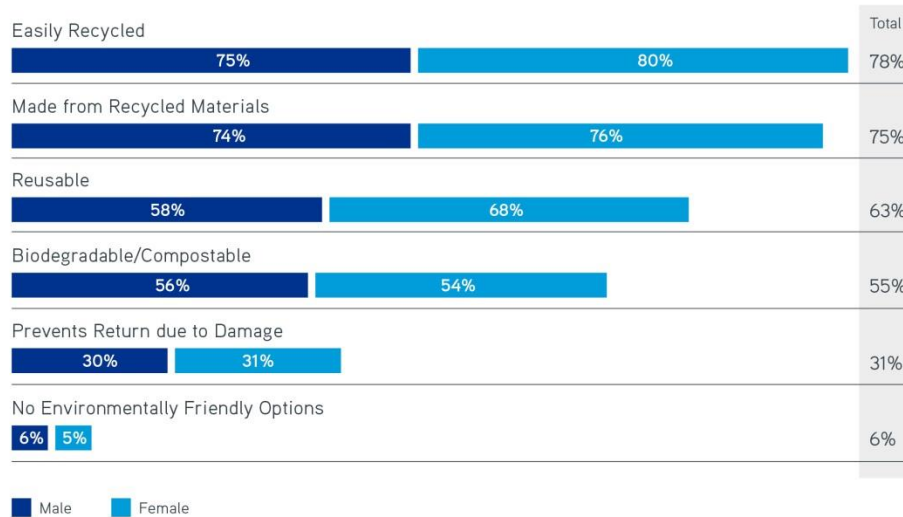
Sustainability is Key

Packaging Design and the Environment



Perceptions of Sustainability

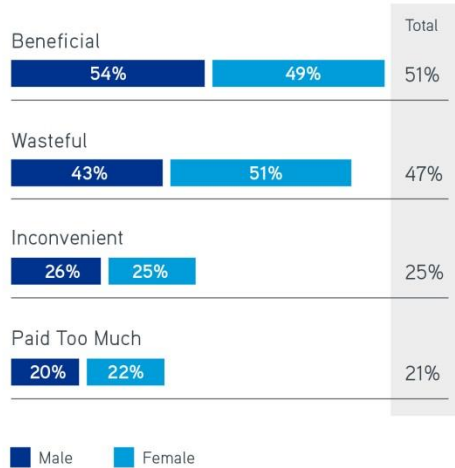
What is Environmentally Friendly Packaging?



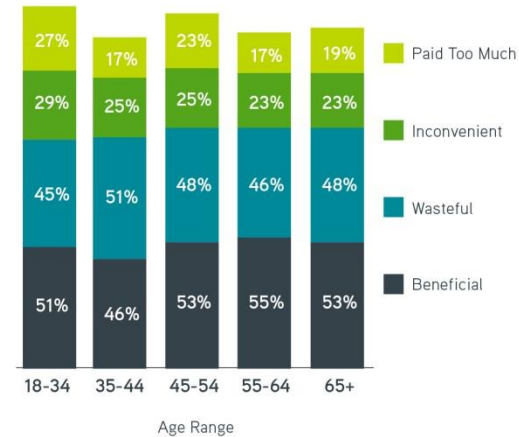
Packaging plays a key role in shaping your company's sustainability reputation

Extra Packaging – Good or Bad?

Views on Extra Packaging



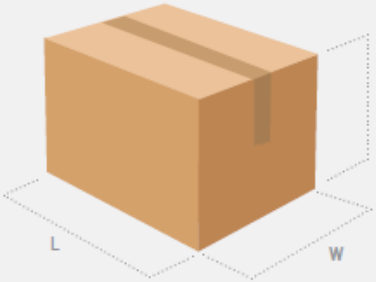
Views on Extra Packaging



Dim Weight Pricing Changes

Effective January 2015:

HOW TO CALCULATE DIM WEIGHT



Dimensional Weight (lbs) = $\frac{L \times W \times H}{166}$

L = Length in inches
W = Width in inches
H = Height in inches

Source: UPS



Dim Weight Impacts

Added Dimension

FedEx plans to start charging shippers based on package dimensions, not just weight. Some examples of how the change will raise rates for e-commerce orders:



PRODUCT	WOMEN'S GLADIATOR SANDALS	MEN'S RUNNING SHOES	PAMPERS CRUISERS	T-BOLT ESTES TOY ROCKET	TOILET PAPER (32-PACK)	TWO-SLICE TOASTER
PRICE BY WEIGHT	\$8.05	\$8.57	\$10.24	\$8.05	\$10.07	\$7.17
PRICE BY DIMENSION	\$8.57	\$9.11	\$11.05	\$9.11	\$13.81	\$9.66
PERCENTAGE CHANGE IN PRICE	UP 7%	UP 6%	UP 8%	UP 13%	UP 37%	UP 35%

Note: Rates calculated based on Zone 5 shipping rates.
Sources: WSJ reporting; Amazon and FedEx websites

The Wall Street Journal

Take Control of Dim Weight

- Assess your packaging in light of dim weight changes to:
 - Keep shipping costs down
 - Improve product protection during shipping
 - Increase customer satisfaction and loyalty
 - Expand sustainability
 - Achieve competitive advantage through packaging



Tips for DIM Weight Packaging

- Remember that size matters: choose the appropriate package based on the size of the item, and don't forget mailers as an option.
- Always use high-quality materials for your package, considering strength, cushioning, durability and, critical for dim weight pricing, space consumption.
- If paying based on actual weight rather than dim weight, be conscious of heavy packaging materials increasing the weight of your package and shipping cost.
- Optimize your packaging, using only what you need and relying on packaging engineers and design centers for help.
- Blocking and bracing items is essential. If your item is stationary and unable to move during shipping, it will be less likely to sustain damage.

Tips for DIM Weight Packaging

- Remember that “Fragile” and “Handle with Care” labels do not replace careful packaging.
- Measure the actual outside length, width and height of the container after packaging when determining dim weight, as the measurements provided by a box manufacturer are inside dimensions of the container and do not reflect exterior dimensions of a package.
- Talk to your carrier representative and examine your agreement to understand your particular dimensional weight pricing.
- Keep track of your total shipping charges monthly to make sure you’re not being incorrectly charged the dimensional weight price.
- Don’t forget the returns process. Educate your customers that if they are returning one item from a multi-item order, they should find a smaller package for that one item versus using the original packaging.



THANK YOU

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**FIND WHAT'S
NEXT.**



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