#### **Ecommerce Logistics**

#### From Order to Delivery: A Complete Guide to the Ecommerce Shipping Process

By Jul Domingo, Jan 28, 2025

#### QUICK SUMMARY

Don't just send labeled boxes out the door and call it a shipping process. So many things happen behind the scenes. This guide breaks down the six stages and ten actionable strategies to optimize your process and exceed customer expectations.

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Most ecommerce interactions with customers happen online—browsing, clicking, and interacting via email or chat.

But the minute they place an order, your brand becomes more tangible, more real to them. It's like your online identity packs a suitcase, *along with their order*, and steps into the real world, ready to meet them face-to-face.

Countless stages, from product inception to clever marketing, have brought you to this critical moment.

Need expert help selecting the right tool?

With one-on-one help, we guide you to your top software options. Narrow down your software search & make a confident choice.

And you get one clear shot to deliver (*pun intended*). So in this blog post, we'll focus on the final phase: your shipping process.

# What is the Ecommerce Shipping Process?

The **ecommerce shipping process** involves multiple steps, starting with receiving an order and ending with its safe arrival at the customer's doorstep.

**Here's an example:** When Hannah orders lip oil from the fictional brand Gaia Cosmetics, her purchase sets off a series of actions.

The item is picked and packed at Gaia's warehouse, shipped, then delivered.

But from Gaia Cosmetics' perspective, this process just doesn't just happen as smoothly.

Every step requires careful consideration, from warehousing and <u>order management</u> to coordinating with their partners.

Everything needs to work together to make sure Hannah's package arrives in great condition and ontime.

So, how do you make sure your own shipping process always sails in smooth waters? Let's break down the key phases to see where you can add value.

# **6 Key Stages of the Ecommerce Shipping Process**

There's more to shipping than packing and dispatching packages.

Even a small bottleneck (e.g., forgetting to scan a product barcode) can trigger a chain reaction, holding up the entire process.

In this section, we'll deconstruct the typical ecommerce shipping workflow into defined stages—preshipping, shipping, and post-shipping—to pinpoint where delays occur.

# 1. Receive and verify orders

Order receipt and verification are all about quality control.

# 1. Receive and Verify Orders



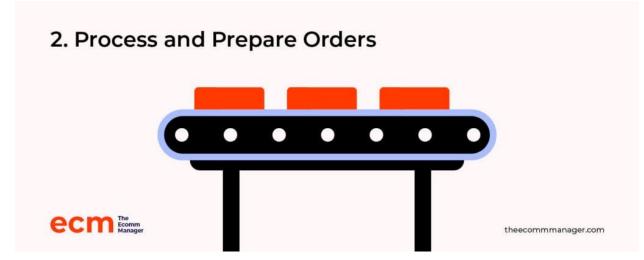
At this stage, the fulfillment team double-checks everything—from product selection and quantity to customer-specific requests—before moving products further for processing.

These protocols detect out-of-stock items, mismatched preferences, or duplicate orders *before* they become problems.

Early-stage order verification helps you prevent costly mistakes, such as expedited delivery or ordering emergency stock, that could lead to unnecessary expenses down the line.

# 2. Process and prepare orders

After getting the green light, the fulfillment team queues items for fulfillment and communicates the verified order details to the team responsible for picking and packing.



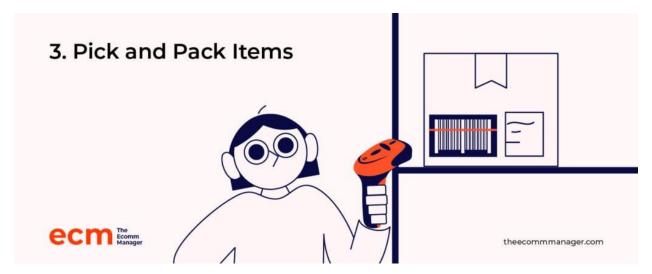
Every department needs to have visibility into the current order status, so everyone can address it collectively without finger-pointing in cases of late and unfulfilled orders.

More than 75% of warehouses today can fulfill and ship orders within 3 hours.

With smooth order processing, you can standardize your warehouse operations and meet this benchmark.

# 3. Pick and pack items

At this stage, the warehouse team gets busy picking and packing up items for shipping.



Some warehouses use pick tickets. These documents, either printed or digital, list the items, quantities, and storage locations.

In some setups, staff use voice-directed picking systems or handheld scanners leading them straight to the right shelves.

These strategies help save time from backtracking and wandering around to pick and pack orders.Wrong shipment accounts for <u>37% of online shopping returns</u>, so take your time perfecting this stage, so you aren't left dealing with possible fallout later.



4. Select and coordinate with shipping carriers

**Carriers handle the physical movement of goods** from the warehouse to the customer's doorstep.

# 4. Select and Coordinate With Shipping Carriers



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Coordinating closely with them optimizes shipping operations in terms of cost and delivery speed.

If working only with one carrier, the logistics or order management system automatically routes all orders to that provider.

In the case of multiple logistics providers, your system selects the optimal one for the job. It factors in cost-effectiveness, delivery times, or geographic coverage.

Otherwise, the logistics team can arrange pickup or drop-off manually.

Carrier delays or availability issues are inevitable. As a workaround, <u>63% of businesses</u> work with two to three couriers.

Diversified shipping methods and multiple couriers are a safety net at this stage. They help mitigate missed delivery windows or longer shipping times, even with unexpected disruptions.

# 5. Ship and track orders

Once coordinated, **the logistics team prints the shipping label** generated from the carrier's tracking system. This label includes the tracking number, delivery time, and recipient details.



The carrier then picks up and scans the labeled package, and the goods are off.

As <u>49% of shoppers</u> expect to track orders from dispatch to delivery, offering visibility at this point meets customer expectations and lowers the volume of shipping-related support tickets.

The more seamless the process, the more it pays off with timely deliveries and higher fulfillment rates.

# 6. Manage returns and exchanges

Most orders are fulfilled after stage five. But unfortunately, sometimes, things go awry.



If the product is defective, damaged, or not what they expected, **customers can initiate a return or exchange request.** This stage is key to redeeming their trust and encouraging repeat business.

Pickup services through carriers like <u>FedEx</u> allow customers to return products without going out of their way.

However, reverse logistics can be costly. <u>Some companies</u> choose to let customers keep low-cost items while still issuing refunds.

Regardless of the approach, efficient returns management is a long-term investment in customer satisfaction and retention.

# A quick summary of the 6 stages of the shipping process

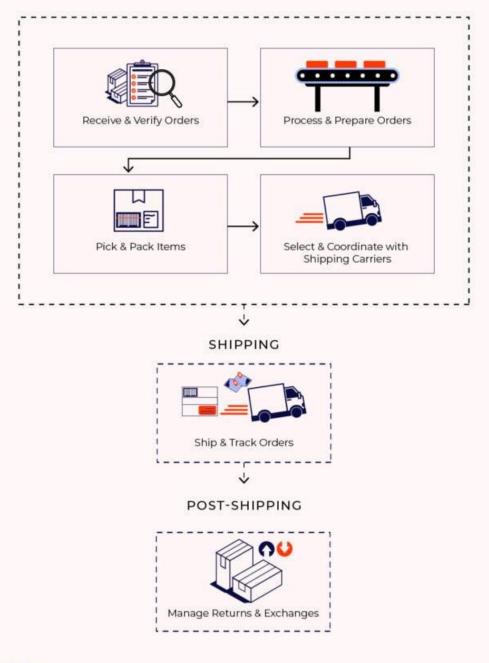
Let's group the six stages of the shipping process into three major flows to see the big picture. Follow this trail to *prepare, execute,* and *maintain* a positive shipping experience:

- **Pre-shipping.** You set everything up and catch potential issues early before the order leaves the warehouse.
- **Shipping.** The good's physical movement starts here. Pick, pack, and ship the order efficiently to meet customer expectations.
- **Post-shipping.** This phase revolves around experience: smooth delivery process, easy returns, and excellent post-purchase customer support.

Knowing the logistics of ecommerce operations can help you better optimize your process for faster, more efficient fulfillment.

# A QUICK SUMMARY OF THE 6 Stages Of The Shipping Process

PRE-SHIPPING



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# **10 Strategies for Optimizing Your Shipping Processes**

If you've spotted where your shipping process lags in the breakdown above, the tips below can help you address and fix them.

And if nothing stood out to you, don't worry—you'll see the difference when you put these strategies in place.

# 1. Automate order management and processing

The ecommerce industry benchmark for order processing is <u>24 hours to 48 hours</u>. Meeting that should be your priority; otherwise, shipping delays might occur.

Order management software (OMS) like <u>Cin7 Core</u> or <u>Linnworks</u> can help you automate many parts of an order's lifecycle, particularly tedious tasks like verification, processing, and tracking.

Linnworks, for instance, makes use of its robust Rules Engine to streamline cumbersome workflows. This feature lets you label your customer orders for quick identification, decide how to pack them, and automate carrier selection.

With your OMS, you can capture accurate sales data and customer information in minutes.

No more manually keying in data—a process that can be fraught with errors and time-consuming inefficiencies.

As well as ensuring accurate information, these solutions also automate pick, pack, and dispatch and can track every order's movement throughout its lifecycle.

With OMS, you can reduce manual workloads and improve inventory accuracy, while offering your customers real-time order updates.

Aside from the first two solutions I mentioned above, here are several other options you can consider (I know, making decisions is hard):

- 1. 1. Linnworks Best OMS software for stock forecasting
- 2. 2. <u>Cin7 Core</u> <u>Best for multi-channel inventory management</u>
- 3. 3. <u>Salesforce Commerce Cloud</u> <u>Best for unified customer experiences</u>
- 4. 4. <u>QuickBooks Online</u> <u>Best ecommerce order management for Quickbooks integration</u>
- 5. 5. <u>CRM Creatio</u> <u>Best for custom order management automation</u>

# 2. Streamline warehouse operations

Your warehouse can become a hub of bottlenecks if you don't address inefficiencies head-on. One area to focus on is how items are picked, packed, and prepared for shipping.

<u>Picking and packing</u> are especially resource-intensive and error-prone processes. When mistakes occur—like picking the wrong item—your business reputation and bottom line suffer.

WarehousingandFulfillment.com estimates that shipping the wrong small product can cost you up to <u>\$69.45</u>, factoring in customer service calls, shipping (including return), packaging, and additional incentives to make up for inconveniencing the customer.

Then there's the steeper cost of having unhappy customers. Yikes. There are two ways you can avoid this.



**First, review your** <u>warehouse layout</u>. Consider your business model, storage types, and picking and packing workflows to optimize your space.

Test any proposed changes to ensure there's enough room for workers to move freely or determine whether adjustments to equipment and storage setups are necessary.

**Second, use technology.** Barcode systems and <u>warehouse management software (WMS)</u> are your lifesavers.

Barcode scanners allow pickers to quickly and accurately confirm items and quantities, reducing errors and saving valuable time.

<u>WMS</u>, on the other hand, oversees the flow of <u>warehouse processes</u>, handling everything from <u>inventory</u> <u>management</u> to <u>order fulfillment</u>.

Tools like <u>Hopstack</u> can lend you a hand by optimizing picking routes and assigning tasks to the nearest available picker. With this capability, Hopstack has seen its partners achieve increased picking efficiency <u>by up to 99%</u>.

Another tool, <u>ShipEdge</u>, offers users different workflows and features to simplify the packing process. It also integrates QC checks in the entire picking and packing process to make sure no wrong products will reach your customer's doorstep.

To learn more about how WMS improves shipping accuracy and other parts of the fulfillment process, check out how the top tools achieve this.

- 1. 1. <u>Cin7 Core</u> <u>Best for manufacturers and product sellers</u>
- 2. 2. <u>Linnworks</u> <u>Best for multichannel stock forecasting</u>
- 3. 3. <u>NetSuite</u> <u>Best for built-in ecommerce marketing tools</u>
- 4. 4. <u>Softengine</u> <u>Best for mobile warehouse operations</u>
- 5. 5. <u>PULPO WMS</u> <u>Best for complete supply chain process audits</u>

# 3. Leverage third-party logistics (3PL) providers

A **third-party logistics (3PL) company** can manage various aspects of your supply chain, from storage to picking, packing, dispatch, and returns.

# "Generally, you need steady order volume for a 3PL to be worth the expense and time getting set

up," explains Brandon Rollins, marketing director at New Jersey-based 3PL provider Fullfillrite.

He shares **six signs** that indicate you need external help on this front:

- 1. Rapidly growing customer base outpaces your capacity
- 2. Delays or inaccuracies in shipping orders
- 3. Overworked staff struggling to keep up
- 4. Increasingly complex business operations
- 5. Rising shipping costs that strain your budget
- 6. Insufficient storage space for inventory

Keep these in mind so you don't partner with a 3PL before you need to.

If the going gets so tough in your warehouse, outsourcing to one might work better for your business.

Brendan Heegan, <u>Boxzooka</u> founder, highlights that partnering with a 3PL often gives you access to their stronger carrier agreements. These partnerships leverage greater negotiating power, ensuring you get the best carrier services at competitive costs.

Consider factors like **shipping zones**, **technical capabilities**, **flexibility**, **and service levels** to find the right partner.

3PLs typically have specific niches or types of products they don't want to handle. Ensure the ones you're considering are okay with your product type and have experience with it.

# 4. Choose cost-effective shipping carriers

Partnering with **the right shipping carriers** can transform your shipping process by a mile.

But even after that, you'll have to determine which one can best fulfill an order.

Josh Dunham, CEO and co-founder of <u>Reveel</u> shares that brands fall short on proper carrier selection, which then leads to higher costs and service failures—plus, a lot of headaches, really.

**Shipping intelligence tools** like Reveel can help brands track carrier performance across cost, delivery times, and reliability.

# *"We simulate scenarios to identify the best carrier options for their specific needs. This highlights opportunities for cost savings and service improvements in carrier contracts,"* he adds.

When you sign up for a shipping software solution like <u>Shipbob</u> and <u>Shipstation</u>, automated carrier selection is part of the bargain.



For instance, <u>PetLab Co</u>. successfully leveraged Shipbob to switch to regional carriers, improving delivery performance and reducing reliance on underperforming last-mile carriers.

The platform also cleverly selects the cheapest carrier at the time of label generation, ensuring brands end up with the best deals. **You, too, can enjoy this advantage.** 

Check out our curated list of reliable software providers to help hone your shipping process.

- 1. 1. <u>ShipStation</u> <u>Best for branding your shipping</u>
- 2. 2. <u>ShipBob</u> <u>Best for a global omni-fulfillment solution</u>
- 3. 3. <u>Packlink Pro</u> <u>Best free service for shipping rate comparison</u>
- 4. 4. <u>Shippo</u> <u>Best for securing the lowest rates from multiple carriers</u>
- 5. 5. <u>Bolt Fulfillment</u> <u>Best turnkey technology to elevate your logistics</u>

# 5. Optimize packaging for speed and cost

When unboxing videos became a thing, many brands—possibly including yours—had to get creative.

This trend propelled <u>primary and secondary packaging</u> into an integral part of the <u>customer experience</u>, much like how a store facade creates a first impression.

But it doesn't mean you need to compromise speed and cost, especially when preparing **secondary packaging**.

WMS platforms like ShipEdge can optimize packaging with features like cartonization, which suggests ideal box sizes based on item dimensions.

Pair this with **lightweight yet durable materials** to reduce costs and protect your products during transit.

Lastly, **train your warehouse packers** on how to arrange items within boxes. Set best practices for avoiding damage during transit, optimizing space usage, and earning that "wow" factor for a polished unboxing experience your customers yearn for.

- 1. 1. <u>A New Earth Project</u> <u>Best for recyclable packaging</u>
- 2. 2. EarthPack Best for customized packaging
- 3. 3. <u>Sustainable Packaging Industries</u> <u>Best for molded pulp packaging</u>
- 4. 4. Ernest Packaging Best for package design and production
- 5. 5. <u>Paper Mart</u> <u>Best for post-consumer paper-based packaging</u>

# 6. Incorporate sustainable shipping practices

Committing to **sustainable shipping practices** is a win for your bottom line and the planet—proven by how <u>54% of customers</u> would voluntarily pay a premium for a brand's sustainable offerings.

Cutting down on plastic and long-distance shipping are entry-level sustainable shipping practices to consider.

#### Here are ways to do so:

• Ship your products with **zero-waste packaging materials** to reduce your plastic waste contribution. <u>Botanical PaperWorks</u> uses seed paper, which you can plant instead of simply dumping it in the garbage:



Source: Botanical PaperWorks

• Secure your products with eco-friendly alternatives like plant-based, water-soluble peanuts like these 100% biodegradable ones from <u>Puffy Stuff</u>:



Puffy Stuff Standard Peanuts



Puffy Stuff Marshmallow Peanuts

Source: Puffy Stuff

• Use compostable boxes or mailers made from recycled materials for bulkier, non-fragile products without compromising quality. This one from <u>Noissue</u> comes with padding too, so you can skip fillers like packing peanuts:



Souce: Noissue

• Prioritize **ground-based shipping** where possible. Locate fulfillment centers closer to your customers to shorten shipping routes and offer customers more affordable shipping rates.

Over time, you can adopt more advanced practices, such as opting for **carbon-neutral shipping** to offset emissions and partnering with couriers that use electric delivery vehicles.

Big or small, every sustainable effort in your shipping processes can build your environmental credibility, reinforce market differentiation, and foster long-term brand trust.

We made a list of the <u>top sustainable packaging manufacturers</u> you can partner with. Check them out below:

- 1. 1. <u>A New Earth Project</u> <u>Best for recyclable packaging</u>
- 2. 2. EarthPack Best for customized packaging
- 3. 3. <u>Sustainable Packaging Industries</u> <u>Best for molded pulp packaging</u>
- 4. 4. Ernest Packaging Best for package design and production
- 5. 5. Paper Mart Best for post-consumer paper-based packaging

# 7. Provide customers with tracking and notifications

**Customers expect timely updates on their orders.** Frustrations grow when you don't provide accurate tracking information in your post-purchase communications.

Author's Note:

I gathered some of the most effective <u>examples of post-purchase emails</u> in this article. Check it out to learn how to nurture customers beyond the sale.

Using order tracking software gets rid of these friction points for your customers.

These tools let you provide near-instant notifications, so they don't feel abandoned after making their purchase.

Email is the most common way to communicate shipping updates. But order tracking solutions like <u>ShippyPro</u> also enable you to share updates via SMS or WhatsApp, making sure you reach your customers where they hang out most.

Make your updates easy to access and timely with the right order tracking software for your customers here are the best ones on the market:

- 1. 1. Linnworks Best for assigning shipping carriers automatically based on predefined criteria
- 2. 2. <u>Salesforce Commerce Cloud</u> <u>Best for global ecommerce scalability</u>
- 3. 3. <u>ShipStation</u> <u>Best for generating shipping documents</u>
- 4. 4. Infoplus Best for 3PL warehouse management capabilities
- 5. 5. <u>Cin7 Omni</u> <u>Best for B2B selling</u>

# Author's Note:

Already found the perfect order-tracking solution? Check out our guide on how to make the most of it for <u>better ecommerce shipment tracking</u>.

#### 8. Implement international shipping best practices

It's every ecommerce brand's dream to have their products cross international waters, but this expansion comes with new challenges in the shipping process.

International sea and air freight shipments require additional **necessary documentation**, such as the bill of lading and customs clearance, and an understanding of **county-specific regulations**.

As the shipper, you must ensure that all paperwork complies with the regulations of both the origin and destination countries. But it's not easy to keep all this logistical maze straight.

Working with a **freight forwarder**—a company that oversees the entire shipping process—can relieve you of this administrative burden.

Author's Note:

Freight forwarders act as intermediaries, connecting you (the shipper) with carriers.

Carriers, on the other hand, are the companies that own the vehicles used for transporting goods. Some companies, like UPS, FedEx, and DHL, operate as both.

Once your documentation and compliance are squared away, address other key elements of international shipping success.

Daniel Mechlowitz of <u>Deta Fulfilment UK</u> suggests, *"Make sure your packages are properly insured and tracked because sometimes parcels decide to take the scenic route to their destination!"* 

Another helpful tip? Consider pre-paying duties and taxes (Delivered Duty Paid or DDP).

Ben Emmrich, CEO and co-founder of <u>Tusk Logistics</u>, advises that doing so can prevent customer frustration over unexpected fees.

# 9. Plan for peak seasons and volume spikes

Peak seasons and volume spikes are something to look forward to—but only if you're prepared. Otherwise, they turn into logistical nightmares.

According to a survey, <u>33% of US brands</u> struggle to fulfill orders on time during the holiday season.

Josef Friedman, director of operations at <u>Kisco Candles</u>, recommends running a **pre-peak logistics audit** to identify bottlenecks and resolve them before they disrupt your <u>order fulfillment process</u>.

In the process, Kisco Candles ensures *"all items are easily accessible, and that packing materials are well-stocked to handle volume spikes, particularly during holiday seasons when demand from restaurants, event planners, and other businesses peaks."* 

Another critical step is ensuring your fulfillment partner can scale with your increased volume.

Ask them for their plan to handle increased volume months before you expect the surge. If their plan doesn't inspire confidence, look for a new partner and stress-test their capabilities during the sales cycle.

It also pays to have backup carriers because you can easily ask them to step in when there are too many orders coming your way.

Lastly, planning should engage your workforce as well.

Determine seasonal worker needs, with a focus on making sure pick and pack operations are fully optimized for the coming volume.

# 10. Monitor and analyze shipping performance metrics

Honing your shipping process requires you to know how well your current processes are working.

Tracking the right metrics offers actionable insights into current shipping process inefficiencies and opportunities for improvement.

These insights let you optimize your carrier mix, improve customer experience, and cut unnecessary costs.

Here are some of the metrics Emmrich suggests you'll have to keep tabs on:

- **On-time delivery rate and average transit time.** Break this data down by carrier and region to pinpoint areas where delays occur.
- **Cost per shipment.** Go beyond just the averages—dig into specific packages or regions that are eating into your profit margins.
- **Shipping-related customer complaints.** Identify problem carriers or routes causing dissatisfaction and adjust accordingly.

To further refine your shipping strategy, you also need to evaluate the performance of your 3PL partner, if you're using one.

According to Jim McClellan, <u>Fort Systems</u> co-founder, monitoring key areas can help improve your shipping process and other related business operations.

These are the areas he suggests keeping an eye on:

- Service level adherence. Confirm that 2nd-day and overnight shipments are sent on time and meet promised delivery speeds.
- **Returns management**. Ensure the 3PL notifies you immediately about returns, their reasons, and offers automated options like reshipping or restocking inventory.
- **Inventory monitoring.** Verify that out-of-stock (OOS) alerts are automated and provide enough lead time for stock replenishment to avoid disruptions.

When you measure what matters, you're not just managing logistics—you're optimizing them for long-term success. Keep in mind:

Data gives us a window to see where we're falling short and how we can improve to meet the customer's expectations and prevent issues from spiraling into a business emergency.

If a brand is running blindly to these factors in ecommerce, given the constant growth in competition, it will have a great deal of trouble meeting the business goals.

# Sealed, Delivered... Concluded

Your shipping process connects your digital reputation to your customers' first real-world experiences of your brand.

The more you improve this critical phase, the more your customers will know how reliable and committed your brand is.

Follow the tips above to gain a competitive advantage and make your shot count.

For other related topics, here are more helpful resources:

- <u>25 Best Order Fulfillment Software For Ecommerce in 2025</u>
- <u>A Complete Guide To Inventory Tracking: Methods, Best Practices & Top Tools</u>
- Fulfillment Center vs Warehouse: Which is Right for Your Business?
- Ecommerce Management: A Complete Guide To Running A Killer Storefront
- What is Backordering? Overview & Best Practices

# **Shipping Process FAQs**

Still confused about shipping costs, pricing structures, delivery routes, and international logistics? Check out these shipping-related FAQs to shed light on any questions you may have.

# What is the difference between first-mile and last-mile delivery?

First-mile delivery is when goods move from the seller or manufacturer to a logistics hub (Point A to B). The last mile is the final stretch from the hub to the customer's door (Point B to C).

Larger-scale and international shipping operations use logistics hubs to consolidate shipments from multiple sellers, sort them by delivery zones, and optimize transport.

# How do shipping zones impact delivery costs and times?

Shipping zones are geographic areas that carriers use to determine the distance a package must travel to reach its final destination.

The farther it has to go, the higher the shipping cost and the longer the delivery time. Shipping from a nearby zone saves time and money.

# What is the role of freight forwarders in international shipping?

Freight forwarders help ecommerce businesses manage the intricacies of international trade. They coordinate multimodal transportation, negotiate carrier rates, and handle all paperwork for a smooth transition through customs checkpoints.

# What are the pros and cons of using flat-rate shipping?

Flat-rate shipping follows a fixed pricing structure for designated size limits, regardless of package weight or dimension.

It simplifies shipping fee calculation, but can sometimes lead to overpaying for lighter or bulkier items.

# How can small businesses offer free shipping without losing profit?

Bake shipping costs into your product prices or set a minimum order threshold to encourage larger purchases. If your product costs \$30 and the average shipping cost is \$5, price it at \$35 to offer "free" shipping.

Alternatively, set a minimum order threshold to incentivize larger purchases and offset shipping costs.