

Built to Last: Aligning Fulfillment Efficiency with Sustainability Goals

Sustainability is a top priority for many leaders today – and it's easy to see why. Companies are often being asked to do more with less, and to do so responsibly, while also facing headwinds such as shifting consumer demand, cost pressures and increasingly complex environmental, social and governance (ESG) requirements.

The term, however, means more than slashing greenhouse gas emissions and reducing waste. It also refers to the resilience of a business and its ability to adapt, grow and remain profitable amid change. Leaders have long viewed the planet and profit as separate strategic priorities, but they are not mutually exclusive, and bringing the two into alignment can be transformational for your organization's environmental goals and bottom line.

The business case for doing so is clear. A McKinsey & Co. analysis of more than 2,200 companies found that those with a focus on sustainability and strong financial performance outperformed their peers in long-term growth.



Morgan Stanley found that over 80% of companies view sustainability as a driver for revenue and profitability.

Operational changes that minimize waste or streamline warehouse processes not only reduce overhead and increase productivity, but also shrink an organization's environmental impact. By optimizing how goods are picked, packed, stored and shipped, companies can increase agility and unlock long-term business value while benefiting the environment – the ultimate win-win.

Removing Barriers to Scalable, Sustainable Fulfillment

Warehouse and fulfillment facilities are bursting with opportunities to reduce waste, increase productivity and boost profitability. The first step is to identify the underlying processes that increase costs and emissions, then determine the best solution for the situation.

Challenge

Packaging Inefficiencies and Excess Material Waste

In fast-moving shipping and warehousing environments, speed often takes priority over packaging precision – but it can also result in inefficiencies like using oversized boxes or taking a best-guess approach to dimensional weights. For example, in high-turnover roles, it's common for workers to grab the most convenient box rather than the right-sized one. These types of manual decisions are a leading cause of excess material use, resulting in waste while driving up shipping costs and related emissions.



Pack Smarter, Waste Less

Smart cartonization and automated packing workflows change the narrative by helping teams choose the right-sized box for every order, minimize material consumption and reduce dimensional weight charges. By automating this aspect of your operations, you can also reduce reliance on inconsistent manual decisions — ensuring accuracy, efficiency and sustainability, even in fast-paced environments.



Hammer Nutrition and Hyper Racing are using ShipHawk Advanced Shipping's cartonization engine, Smart Packing™, to minimize resource use and scale fulfillment efficiency. Hammer Nutrition has saved 20% in shipping costs and doubled throughput with the combo of automated rating and Smart Packing.



Underutilized Warehouse Space, Manual Workflows and Siloed Systems

Warehouse space and the inventory it contains are among your company's most valuable assets, but are they being managed as effectively as possible? Poor slotting strategies and manual layout practices combined with reactive inventory processes, such as overstocking or inaccurate forecasting, can drive up your organization's energy consumption, labor requirements and operational costs – and even lead to unnecessary warehouse expansions.



Boost Labor Efficiency and Warehouse Accuracy with WMS

ShipHawk's <u>Warehouse Management System (WMS)</u> replaces disconnected tools and outdated processes with real-time visibility and guided workflows to help companies reduce inventory handling, improve cube utilization and increase labor productivity.





Kalalou and La Sportiva eliminated paper pick tickets and manual workflows using ShipHawk WMS, streamlining fulfillment processes and reducing waste. Kalalou improved cube utilization across its five warehouses while increasing inventory accuracy and productivity. La Sportiva cut order processing time by 50%!

<u>Spyderco</u> replaced manual order release with automation, **improving picking efficiency by 35%**, increasing daily volume **processing efficiency by 25–35%** and saving 4-5 hours of supervisor time per day.

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Automate Dimensioning for Faster Fulfillment



Capturing accurate weights and dimensions is one of the best things fulfillment leaders can do to ensure products are stored, picked and shipped efficiently. Yet many businesses don't capture this data at all and, if they do, it's through manual processes that are time-consuming and prone to errors. Traditional dimensioning equipment can be expensive or difficult to use, but there is a better way.

ShipHawk Dimensioner captures precise measurements instantly, providing the critical data your team needs to enable smarter warehouse slotting, more accurate shipping rates and efficient cube utilization. It also integrates with your scales and ERP, helping to increase productivity and eliminate data silos across your operations.



One agricultural distributor used it to capture weights and dimensions for 12,000 SKUs in less than two weeks!

Inefficient and Costly Shipping Decisions



Shipping is one of the most visible, customer-facing aspects of your operations, and it's important to get it right from beginning to end. Speed and reliability are top priorities for nearly 80% of consumers, according to PwC, but meeting those needs while balancing sustainability and profitability can be a delicate balancing act.

Service-level agreements (SLAs) often require orders to arrive within certain time frames, but delivering on those promises requires more than speed. Seemingly simple functions like selecting a carrier, determining how to pack an order or choosing which facility should fulfill it can be costly points of friction that have an environmental downside.

Ensure the Best Rate, Every Time



Solution

ShipHawk Advanced Shipping's automated rate-shopping feature streamlines carrier selection with real-time comparisons, helping businesses identify and minimize the true cost of shipping while meeting customer expectations.

The solution features built-in address validation, pack verification and multi-origin rating – enabling orders to ship from the ideal location. The result? Fewer split shipments, shorter transit distances and a reduction in transport-related emissions.



Real-World **Impact**

Hammer Nutrition used this approach to save an impressive \$312,000 on air shipments per year, reducing its overhead by \$5.20 per package, without sacrificing speed or accuracy.

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Take It

Reduce Delivery Distance with Multi-Origin Rating

Getting orders out the door and into the hands of customers quickly is a priority for every business, but split shipments and inefficient warehouse selection can have a negative impact on shipping emissions and costs.

With ShipHawk Advanced Shipping's multi-origin rating capability, companies can evaluate all available warehouses and available inventory and select the most efficient route to the customer. This approach reduces delivery distance, enables order consolidation and minimizes unnecessary emissions.



<u>POLYWOOD</u>, a manufacturer with a planet-positive mentality, uses multi-origin rating to **ship products from the warehouse closest to their end customer**, creating a cost-effective and sustainable delivery experience that benefits both the business and the customer.



Hidden Shipping Errors That Drain Your Budget

With so many shipments moving through your facility every day, it's nearly impossible to manually catch every billing error, duplicate charge or carrier service issue. Small mistakes like a missed delivery scan, incorrect DIM weight charge or the wrong discount tier add up and can weigh heavily on both your bottom line and environmental impact. These issues are often the responsibility of the carrier, and your business may be entitled to cost recovery.



Solution

Put a Stop to Wasteful Freight and Parcel Spend

ShipHawk's automated <u>Freight and Parcel Audit</u> and Reconciliation solution streamlines invoice reconciliation, detects overcharges and automates the recovery claim filing process. It also provides visibility into carrier performance, making it easier to hold shipping partners accountable.



<u>UHS Hardware</u> **recovered \$45,000 in carrier overcharges** in just four months and eliminated 20 hours of manual audit work per year.



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The Smart Path to Sustainable Fulfillment

Sustainability doesn't have a standard definition. For some, it means minimizing waste or reducing emissions. For others, it's about building a resilient business that can thrive amid market dynamics. It's up to you to decide what sustainability means for your business – and act on it because building a better business is good for the planet, and building a better planet is good for business.

