ShipBob

State of **Ecommerce Fulfillment Report**

2024 Edition

A Letter from the CEO

By Dhruv Saxena

As the leading fulfillment solution for thousands of brands, we're always focused on providing best-in-class fulfillment, operational excellence, efficiency, and visibility within our fulfillment centers.

Heading into 2023, many of our merchants distribute inventory across our global network. A major focus of ours in 2023 was scaling that on behalf of our customers to help them provide an even better buyer experience.

This led to the launch of our Inventory Placement Program (IPP), where we strategically distribute our customers' inventory by leveraging the ShipBob Fulfillment Engine AI, which focuses on our demand forecasting algorithms, sales trends for each individual merchant and each unique SKU, and real-time sales data. We've had hundreds of our largest brands take advantage of IPP, and moved over 10 million units through this new program in 2023 alone (see more on page 4).

IPP has made supply chains more streamlined because we can make sure that the right products and quantities are shipped to the right fulfillment center locations, while doing the calculations for our merchants in real time, saving them both money and time to invest in other strategic priorities.

While IPP is now a core solution for our customers, in 2024, ShipBob will focus on the following pillars:

1   Inspire trust through fantastic service and actionable insights

2   Deliver reliable, fast, and cost-effective fulfillment

3   Enable customization at scale

4   Simplify global and cross-border fulfillment

5   Power growth through omnichannel and headless fulfillment

At ShipBob, our core values (being mission-driven, humble, resilient, and creative problem-solvers) drive us to innovate new solutions for the millions of brands and hundreds of millions of consumers that we will support in our lifetime.

We've found that these brands and entrepreneurs share our values.

In particular, resiliency and creative problem-solving have reverberated throughout the ecommerce industry. But we're still very optimistic — as are many of you — and have a positive outlook for 2024.

In this report, we offer insights into:

1 What changed from 2022 to 2023

2 Shipping trends from 2023 and what to expect moving forward

3 What ecommerce brands are prioritizing in 2024

4 Actionable recommendations to optimize your supply chain

Best,

Dhruv Saxena

**Dhruv Saxena**
CEO & Co-Founder of ShipBob

Case Study: Semaine Health

A real-life example of strategic inventory placement with ShipBob

Amid a massive growth streak, the Semaine Health team realized their prior 3PL would not be able to scale with them. Semaine Health moved fulfillment over to ShipBob and joined our Inventory Placement Program, which streamlines inventory distribution across the US, taking multi-location inbound shipments, inventory allocation, and rebalancing off their plates.

How's it going for Semaine Health today?

- They are using 4 ShipBob fulfillment centers in the US, which reduced their average time in transit by 1.6 days and fulfillment cost per order by $2.16.

- With this strategic inventory distribution, not only do most of their standard orders get delivered in two days, it's also been key to profitable growth for them this past year.

- Since partnering with ShipBob, Semaine Health has achieved a 99.95% order accuracy rate (a 10x reduction in errors compared to their old 3PL).

- The before and after charts below show the changes in shipping destinations and zones, going from 1 to 4 fulfillment centers.
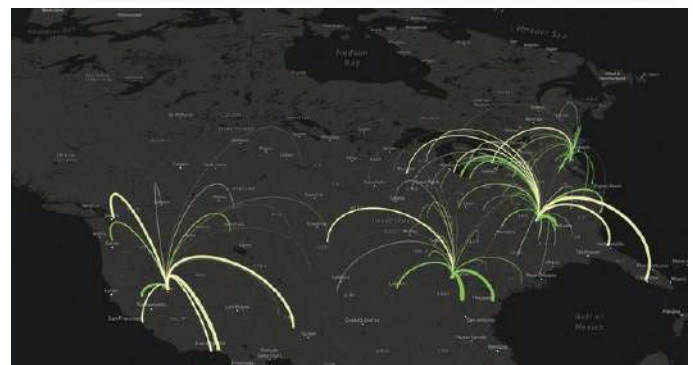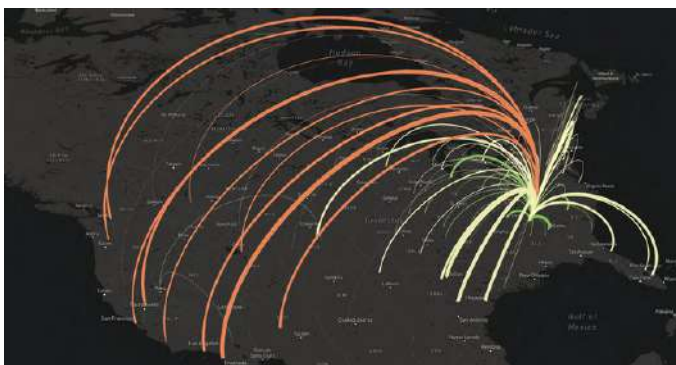
🟢 Shipping zones 1-3   ⚪ Shipping zones 4-5   🟠 Shipping zones 6-8

Background

ShipBob's 2024 State of Ecommerce Fulfillment Report is based on insights from a survey of 521 executives from ecommerce brands about 2024 plans, as well as proprietary data from the hundreds of millions of units ShipBob fulfilled globally in 2023.

About ShipBob

ShipBob's technology enables SMB and Mid-Market ecommerce brands to deliver a delightful shopper experience through best-in-class supply chain and fulfillment capabilities. With over 50 fulfillment centers in the United States, Canada, Europe, and Australia, ShipBob supports thousands of ecommerce brands.

The ShipBob platform provides merchants with a single view of both their business and customers across all of their sales channels, and enables them to manage products, inventory, orders, and shipments, plus leverage analytics and reporting to run their business effectively. ShipBob's proprietary warehouse management system (ShipBob WMS) is also available to brands with their own warehouses in the US, leveraging all the benefits of ShipBob.

Founded in 2014 in Chicago, ShipBob was launched through Y Combinator by co-founders Dhruv Saxena and Divey Gulati, two entrepreneurs who saw a need for more efficient shipping after running their own ecommerce business. Learn more by visiting shipbob.com.

1,000s
of brands partner with ShipBob

100s of millions
of units shipped

50+
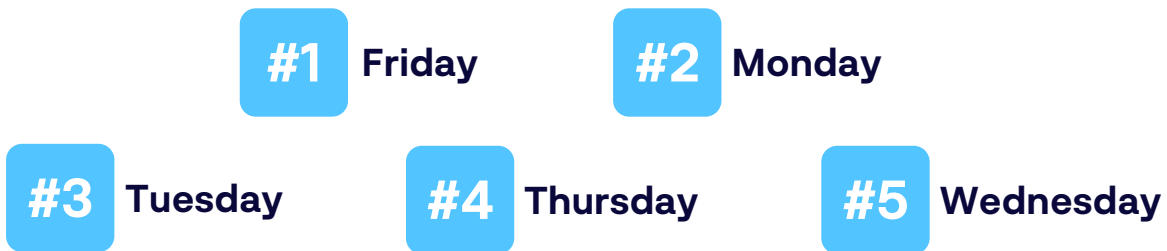fulfillment centers in ShipBob's network
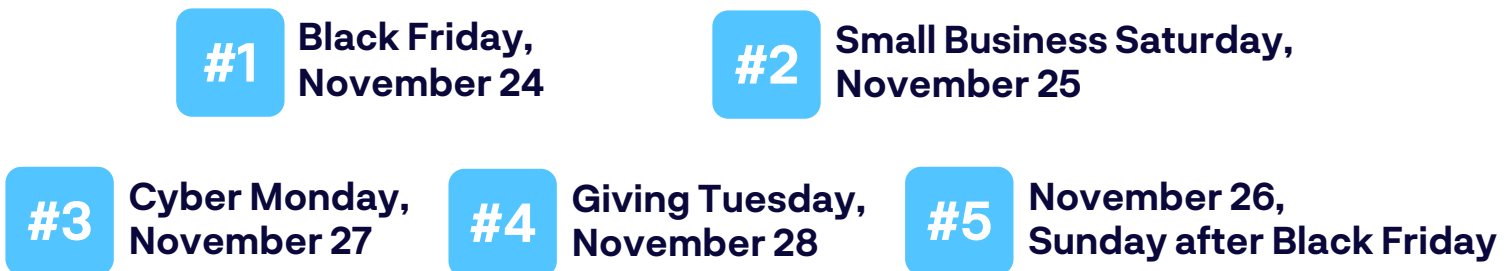
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1 2023 Recap

This data is aggregated across thousands of ShipBob merchants shipping hundreds of millions of units.

Most popular day of the week for placing orders:

#1 Friday   **#2** Monday

#3 Tuesday   **#4** Thursday   **#5** Wednesday

> *After five consecutive years of Monday being the #1 sales day of the week, Friday became the top ecommerce sales day of the week in 2023.*
>
> *Sunday remains the least popular buying day for the sixth consecutive year.*

Most popular buying day in 2023:

#1 Black Friday, November 24   **#2** Small Business Saturday, November 25

#3 Cyber Monday, November 27   **#4** Giving Tuesday, November 28   **#5** November 26, Sunday after Black Friday

> *Like last year, Black Friday was ShipBob's top order day of the year. All five of the top order days in 2023 were over the long Cyber weekend (November 24-28, 2023, from Black Friday through Giving Tuesday), as more brands extended promotions throughout the entire weekend.*
>
> *The least busy shopping day of 2023 was Sunday, February 19.*

A greater look at BFCM

The Black Friday Cyber Monday weekend dates are always big sales days – but just how much bigger are they than a normal day?

When compared to the average on the same days in October 2023 (the month before), ShipBob's mechants experienced the following:

255% increase in sales on Black Friday, compared to the average Friday in October.

208% increase in sales on the Saturday following Black Friday, compared to the average Saturday in October.

177% increase in total sales across the BFCM weekend, compared to the average weekend in October.

145% increase in sales on Cyber Monday, compared to the average Monday in October.

18% increase in average order value during BFCM, compared to the average order in October.

Trending categories during the Black Friday Cyber Monday weekend (percentage increases compared to the averages in October 2023):

1,035% increase in jewelry sales

598% increase in beverage sales

769% increase in apparel sales

581% increase in home goods sales

The shortest distance a parcel traveled was 2.4 miles from ShipBob's Carrolton, Texas fulfillment center to a destination in Carrolton, Texas.

The farthest distance a parcel traveled was 11,640 miles from ShipBob's Birmingham, UK fulfillment center to a destination in Wellington, New Zealand.

Winning the Holidays

Optimizing carrier handoff speeds for a better consumer experience

At ShipBob, we're always looking to improve and are continuously taking ideas from our customer community. We recently worked extremely closely with a larger customer on some custom requirements they requested on a special project to optimize throughput, as they had a key focus on getting orders into carriers' hands faster during peak season.

> *Carrier handoff speed: The time it takes from when an order is received in the fulfillment platform to when the carrier picks it up.*

At the beginning of Q3 2023, this customer's carrier handoff speed averaged 27.1 calendar hours (this includes weekends and orders coming in throughout the entire day). With the customer's driving motivation being Black Friday Cyber Monday and peak season performance, we had to move quickly.

Across over 500,000 orders in November alone, we were able to get the carrier handoff speed down to 16.4 calendar hours across nine carriers shipping from four fulfillment centers, which is a 39.5% improvement that saved nearly half a day in the end-to-end fulfillment speed.

How to achieve this best-in-class timeline:

- To pick and pack the right orders as quickly as possible, analyze order data to optimize staffing hours by day, time of day, and location.

- Coordinate carrier pickups for each carrier based on your business's demand patterns.

- Optimize order SLA cutoff times to ensure as many orders get picked up same-day.

- Utilize a combination of late night, early morning, and weekend shifts to make sure that Saturday and Sunday orders get handed off at the same service level as weekday orders.

Are you a current ShipBob customer that wants to learn more? Please reach out to your Merchant Success Manager.

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Online spending trends in the US in 2023

GMV — **Gross merchandise value:**
The total amount spent on ecommerce orders

AOV — **Average order value:**
The average amount spent per ecommerce order

OPC — **Orders per capita:**
The average number of ecommerce orders per person in the state (total orders divided by population)

GPC — **GMV per capita:**
The average amount spent on total ecommerce orders per person in the state (total GMV divided by population)

Most active buying state in the US in 2023:

#1 California **#2** Texas **#3** Florida **#4** New York **#5** Illinois

Wyoming was the least active buying state for the second year in a row. California consumes 66.7x more orders than Wyoming, while California's population is roughly 66.3x larger.

US states with the most orders per capita (OPC):

#1 Illinois **#2** Colorado **#3** New Hampshire

#4 Washington, D.C. **#5** Washington

Mississippi was the state with the fewest orders per capita for the second year in a row. Orders per capita in Illinois is 94.7% greater than in Mississippi. Colorado slipped to the second spot in 2023, compared to #1 in 2022.

US states with highest average order value (AOV):

#1 Florida   **#2** Montana   **#3** Alaska   **#4** Texas   **#5** Hawaii

The average consumer in Florida spends 26% more per order than the average consumer in Illinois, which was the state with the lowest AOV. However, Illinois places the most orders per capita. People in Illinois are placing more orders more frequently, where Floridians seem to bulk up their purchases while placing fewer orders overall.

Location likely places a role, as Illinois is centrally located and Florida is the most Southeastern state in the country. It more expensive and slower to ship to Florida residents from more locations in the US as compared to Illinois.

States with the highest GMV per capita (GPC):

#1 Colorado   **#2** Montana   **#3** Washington

#4 Washington, D.C.   **#5** Illinois

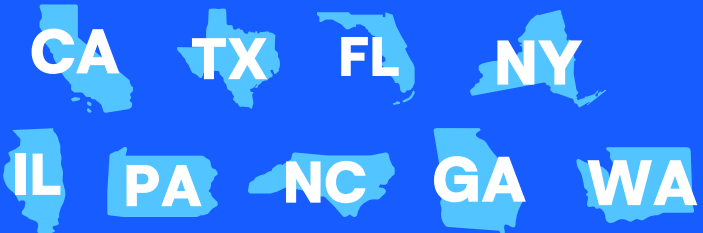*West Virginia was the state with the lowest GPC.*

The GPC in Colorado is 98.8% greater than West Virginia. For the second year in a row, Colorado has the highest GPC.

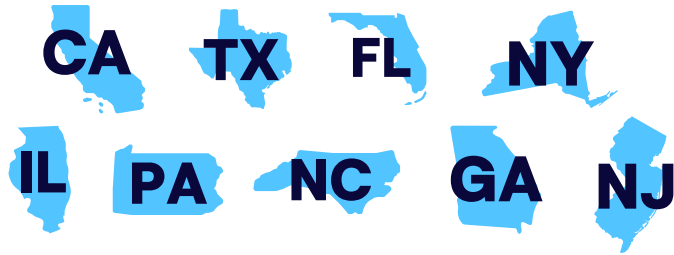**35%** of all ecommerce orders in the US are in 4 states:

CA   TX   FL   NY

52% of all ecommerce orders in the US are in 9 states:

CA   TX   FL   NY

IL   PA   NC   GA   WA

ShipBob

36% of GMV in the US comes from 4 states:

CA TX FL NY

53% of GMV in the US comes from 9 states:

CA TX FL NY
IL PA NC GA NJ

The 21 lowest-consuming states account for <10% of all ecommerce orders and ecommerce GMV in the US. The 29 lowest-consuming states account for <20% of all ecommerce orders and ecommerce GMV.

For a second year in a row, California has greater order volume and GMV than the 24 lowest-spending states combined.

FL In Florida, the average consumer spends 11.7% more per order than the average American. This places them at #1 in AOV.

TX The average Texan consumer spends 5.8% more per order than the average American, which places them at #4 in AOV.

IL In Illinois, the average consumer spends 11.4% less per order than the average American, making them place last. However, the average consumer in Illinois places 36.7% more orders than the average American. This puts them at a #1 in the US.

WA In Washington, the average consumer purchases 18.1% more orders than the average American. The average Washingtonian spends 23.4% more on ecommerce purchases per year than the average American.

PA In Pennsylvania, the average consumer spends 6.3% less per order than the average American. This places them only above Ohio, Indiana, West Virginia, Rhode Island, and Illinois.
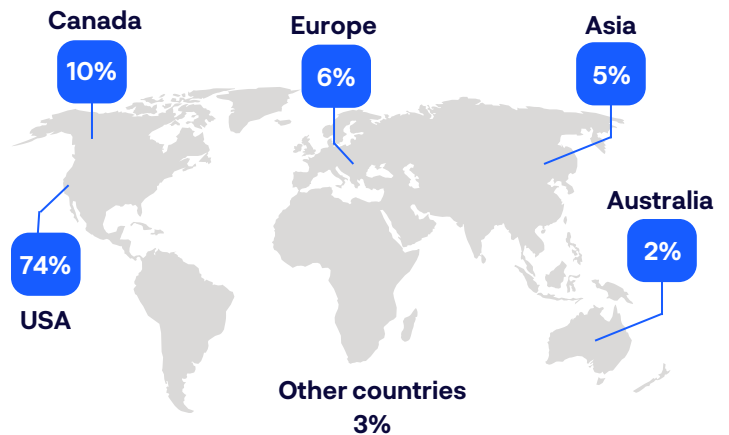
The average Pennsylvanian purchases 10.3% fewer orders than the average American. Their average yearly consumption value is 15.9% less than the national average. Pennsylvania places last in OPC and consumption per capita.
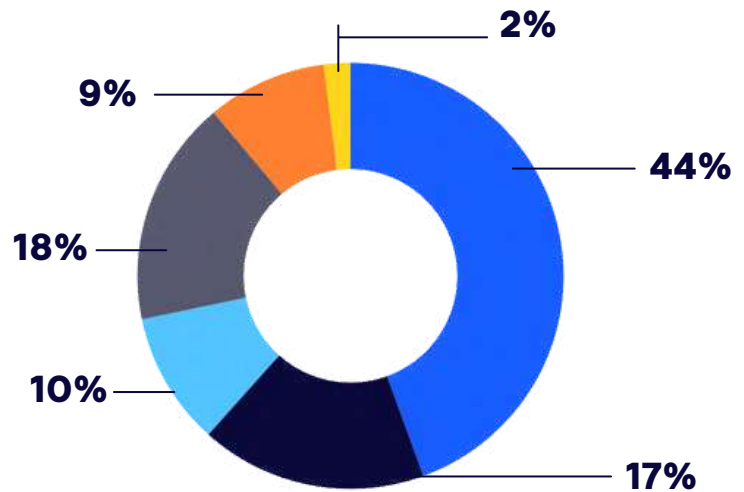
2 2024 Growth Outlook

For this report, we surveyed 521 executives from ecommerce brands across verticals.

Most brands that we surveyed were based in the United States.

Canada
10%

Europe
6%

Asia
5%

Australia
2%

74%
USA

Other countries
3%

Annual revenue (in USD) of the brands we surveyed:

- $0 - $100K/yr
- >$100K - $500K/yr
- >$500K- $1M/yr
- >$1M - $10M/yr
- >$10M - $100M/yr
- >$10 - $100 M/yr

2%

44%

9%

18%

10%

17%

Despite talk of a supposed slowdown in global growth in 2023, brands still fared well.

83% of brands saw an increase in revenue from 2022 to 2023.

19% of brands more than doubled revenue from 2022 to 2023.

Despite economic headwinds in 2023, most brands expect growth in 2024.

>50% expect a 1-25% increase in revenue

46% expect their revenue to grow by more than 25%

7% expect to more than double their revenue

2% expect revenue to stay flat year-over-year

Brands' expected % revenue growth in 2024:

0%	2%
1 - 25%	52%
26 - 50%	21%
51 - 75%	9%
76 - 100%	5%
101 - 200%	6%
201 - 500%	3%
>500%	2%
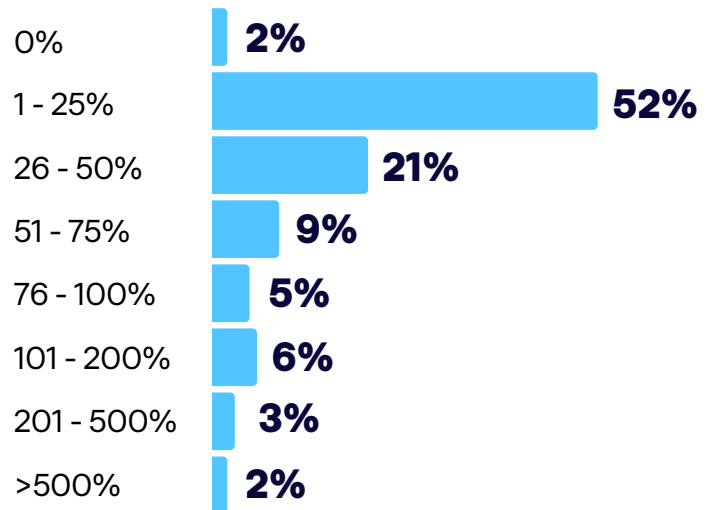
2023 takeways

The breakdown of anticipated revenue growth in 2024 remained pretty consistent across the board from our survey a year ago. This still reflects a more conservative outlook on the economy as compared to our survey from two years ago, when nearly 30% of brands expected revenue growth greater than 75% (which has been around 16% for both this year and last).

While it's becoming harder for ecommerce brands to scale revenue as compared to several years ago, brands are finding new ways to get there (even physically, in new retail stores and even new countries).

In the next few chapters, we look at how brands plan to grow and the fulfillment considerations they will keep in mind.

3 Channel Diversification

We're officially in an omnichannel world: almost half of brands sell on at least 3 sales channels. While just over a third of brands said they don't plan on making changes to their sales channel mix in 2024, the vast majority will add channels to meet more customers where and how they shop.

73%
of brands already sell on 2 or more sales channels.

48%
of brands already sell on 3 or more sales channels.

18%
of brands already sell on 5 or more sales channels.

52%
of brands already do B2B/brick-and-mortar store orders.

up from 46% in 2023

36%
of brands already sell on big box retailers' websites.

up from 32% in 2023

64%
of brands will add at least one new sales channel in 2024.
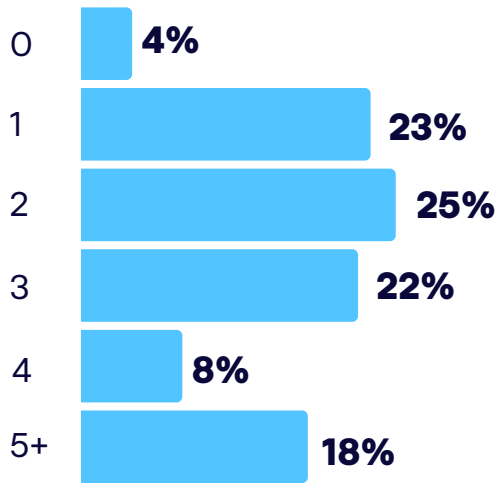
up from 62% in 2023

TikTok Shop

TikTok Shop is a new top sales channel for 2024, making it into the top 4 sales channels that brands are focusing on growing this year (after only branded websites, Amazon, and in-store retailers).
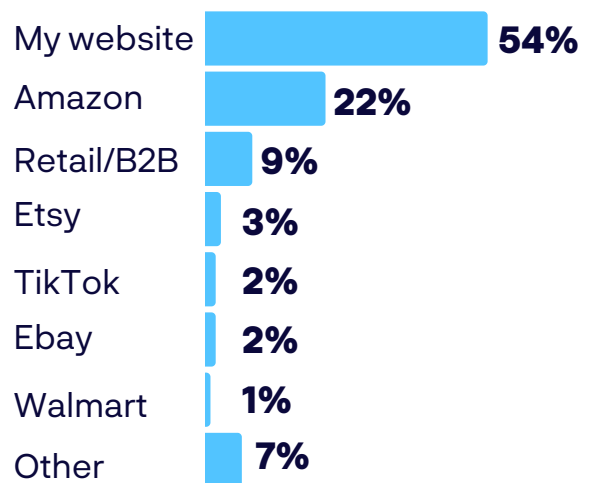
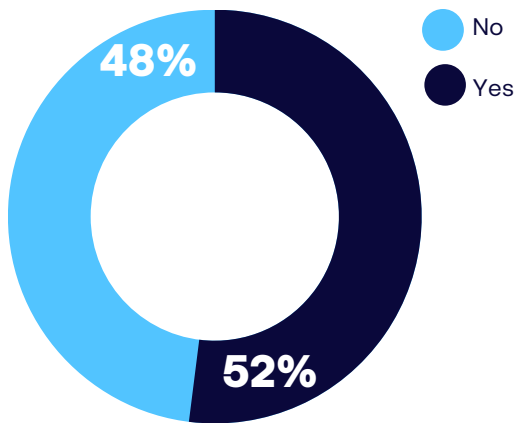**Learn more about Fulfilled by TikTok, powered by ShipBob here.**

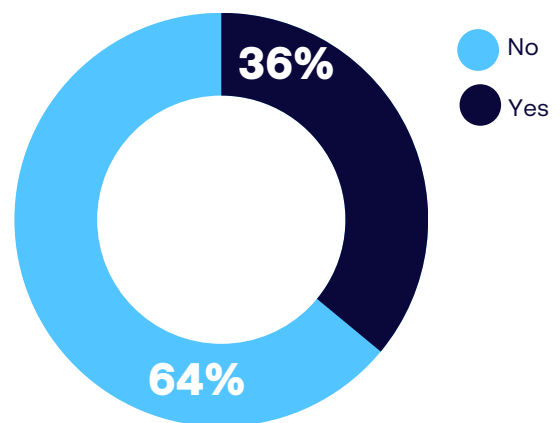ShipBob

How many sales channels do you sell through today?

- 0 — **4%**
- 1 — **23%**
- 2 — **25%**
- 3 — **22%**
- 4 — **8%**
- 5+ — **18%**

What is your top sales channel today?

- My website — **54%**
- Amazon — **22%**
- Retail/B2B — **9%**
- Etsy — **3%**
- TikTok — **2%**
- Ebay — **2%**
- Walmart — **1%**
- Other — **7%**

Do you sell B2B retail/wholesale (brick-and-mortar or in-store)?

- No: **48%**
- Yes: **52%**

Do you sell B2B dropshipping (through retailers' online stores)?

- No: **64%**
- Yes: **36%**

#1 sales channel you're focused on growing in 2024?

- My website — **45%**
- Amazon — **22%**
- Retail/B2B — **13%**
- TikTok — **10%**
- Walmart — **3%**
- Other — **7%**
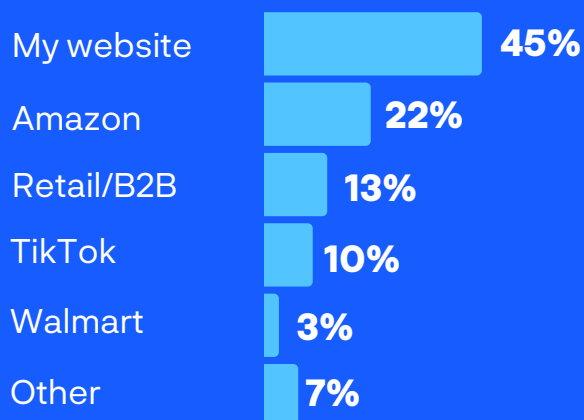
What are your sales plans for 2024?

- No change — **36%**
- Add multiple new DTC channels — **16%**
- Add new DTC & B2B channels — **15%**
- Add one new online DTC channel — **14%**
- Add new B2B retail channels — **10%**
- Add new B2B online channels — **9%**

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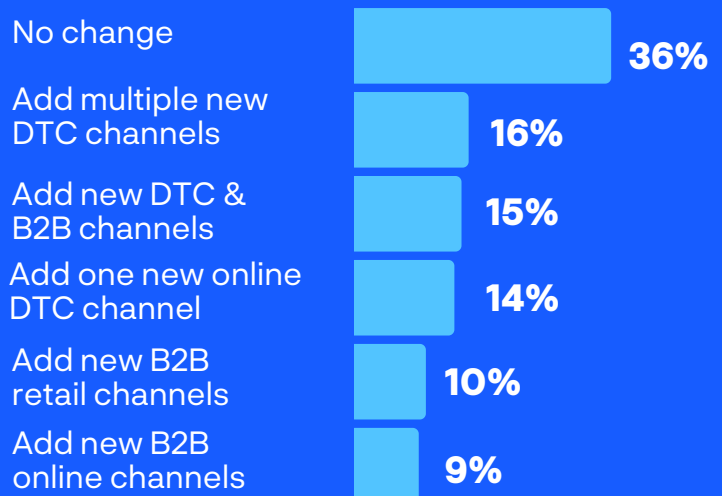
A Look at PetLab Co.

A behind-the-scenes, real-life example of omnichannel fulfillment

Many retailers are looking to expand into new categories, but don't want to take on the risk of holding inventory. Thus, they're looking for new brands to sell on their websites and dropship directly to their shoppers.

Being an omnichannel brand is critical for PetLab Co., so they can reach more pet lovers from more places. And this strategy has paid off for them — the brand generates >$100 million in annual revenue since being founded in 2018. After working with a small 3PL, they realized fulfilling orders quickly through their website and major marketplaces was a must-have, not a nice-to-have for their business.

How's it going for PetLab Co. today?

- All of PetLab Co.'s >30,000 weekly DTC and B2B orders go through ShipBob's fulfillment centers, including retail distribution orders from Chewy.

- They utilize ShipBob's EDI solution that is connected to their third-party EDI platform SPS Commerce, and also leverage ShipBob's direct integration with Amazon for FBA orders.

- They're also fulfilling orders through Amazon and are exploring additional channels that ShipBob supports, such as Walmart.com.

- ShipBob's ability to service both DTC and B2B has enabled them to build more consistent procedures and practices across their different sales channels, including the two biggest online pet sales channels in the US.

4 Geographic Expansion

As brands grow, they tend to gradually expand into new geographies. To meet demand more efficiently, they may start in one fulfillment center and then expand into other region(s) within their home country.

Of the thousands of brands that partner with ShipBob:

100s of ShipBob merchants leverage our Inventory Placement Program (IPP) in the US, where they send inventory from one hub location and we distribute it to the most optimal locations for them.

After leveraging delivered duty paid (DDP) shipping to prevent long delivery times and surprise fees for consumers of cross-border shipments, many brands will then fulfill orders in other countries to help offset high shipping costs, long transit times, and high duties and delays at customs. Global expansion is proving to be a growth lever this year.
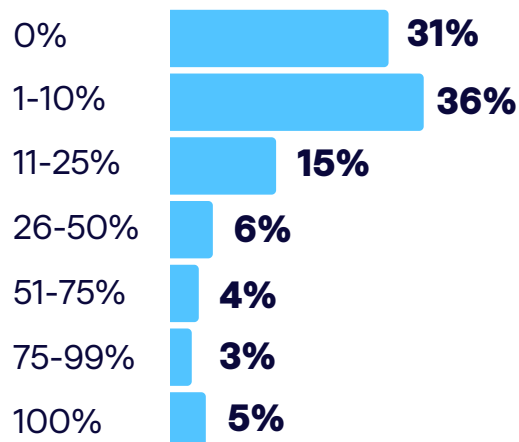
36%
of brands plan to either ship to new countries in 2024 or fulfill orders in new countries.

21%
of brands plan to start physically fulfilling orders in new countries in 2024 (the same as last year).

What % of your orders are shipped to destinations outside of the US?

0%	31%
1-10%	36%
11-25%	15%
26-50%	6%
51-75%	4%
75-99%	3%
100%	5%

What is your target shipping speed for DTC orders within the US?

Same-day	6%
Next-day	12%
2 days	26%
3 days	27%
4-5 days	23%
6-7 days	4%
>7 days	2%
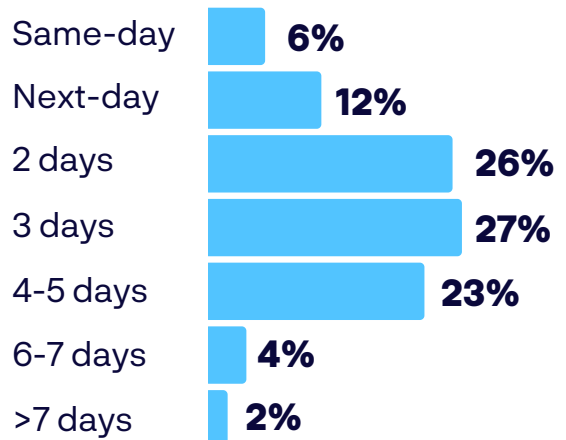
How are you fulfilling orders today?

Self-fulfillment	36%
3PL(s)	25%
Hybrid fulfillment	31%
Amazon only	5%
Other	3%
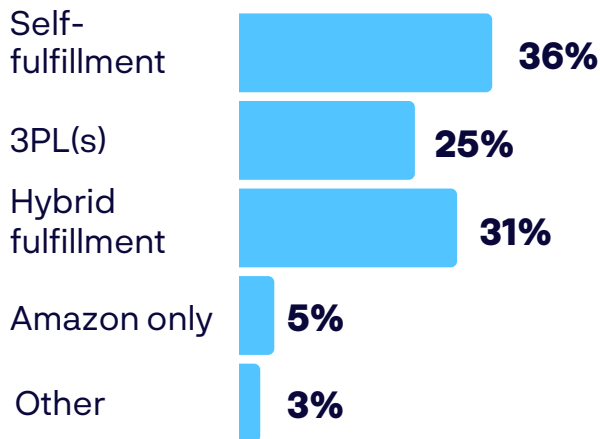
How many fulfillment centers do you ship from today?

0 (I'm shipping from home)	26%
1	36%
2	17%
3	9%
4	3%
5 or more	9%
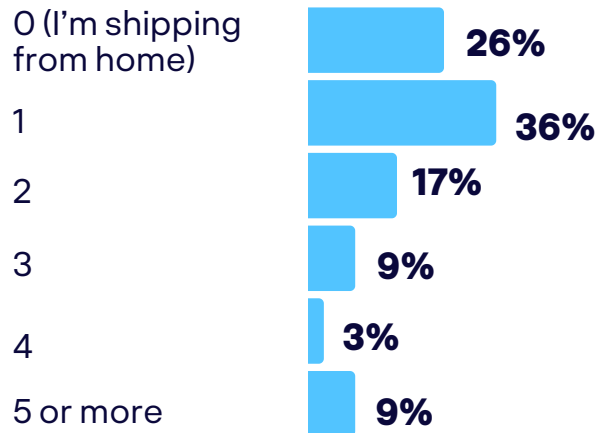
Which describes your plans for fulfillment centers in 2024?

20% of brands do not plan on using a fulfillment center.

41% of brands will use the same number of fulfillment centers they ship from.

3% of brands will decrease the number of fulfillment centers they ship from.

36% of brands will increase the number of fulfillment centers they ship from.

Which best describes your global fulfillment footprint today?

32% of brands only fulfill orders from and ship within their home country (and won't change in 2024).

down from 37% last year

10% of brands fulfill orders from their home country but ship to other countries, and plan to fulfill internationally in 2024.

down from 11% last year

15% of brands fulfill orders from and ship within their home country, but plan to ship internationally in 2024.

down from 16% last year

15% of brands fulfill orders from several countries and ship across the world (and won't change in 2024).

up from 11% last year

17% of brands fulfill orders from their home country and ship internationally (and won't change in 2024).

up from 14% last year

11% of brands fulfill orders from countries around the world but want to expand into new countries in 2024.

up from 9% last year

A Look at Pit Viper

A behind-the-scenes, real-life example of global fulfillment

Pit Viper's growth over the last couple of years has been monumental. They expanded from 2 founders doing everything themselves, to an 80-person multimillion-dollar company – and are ready to maintain steady growth.

At Pit Viper, they've always done some in-house fulfillment. But they weren't able to keep up with shipping deadlines, so they decided to move to a hybrid fulfillment model, outsourcing international fulfillment to ShipBob. This alleviated the pressure put on their in-house team while making their own warehouse more efficient with ShipBob's WMS.

How's it going for Pit Viper today?

- In addition to fulfilling orders in the US, they are using ShipBob's international fulfillment centers in Canada and Australia (and are looking into the UK and EU as well).

- ShipBob has been a big help for them hitting international markets, having one central system to fulfill orders, enabling them to penetrate those markets better as more customers can receive their glasses in days instead of weeks.

- As a result, they've experienced an increase in customer satisfaction from packages going out faster and cheaper than before.

- Pit Viper has also improved operationally, achieving a 99.7% accuracy rate and eliminating 2,100 mispicks annually with ShipBob's WMS.

5 Delightful Customer Experiences

Despite many brands having a stronger focus on margins, the percentage of brands offering sitewide free shipping stayed consistent year-over-year, remaining at 27%.

However, the percentage of brands that do not offer free shipping at all jumped to 31% this year (up from 23% last year), with 30% of brands not planning to offer free shipping this year. Compared to last year, the minimum spend threshold to qualify for free shipping has gone up, perhaps to combat inflation.

27%

of brands always offer site-wide free shipping for domestic orders.

down from 33.5% last year

18%

of brands require consumers to spend $80+ USD to get free shipping.

up from 17% last year

15%

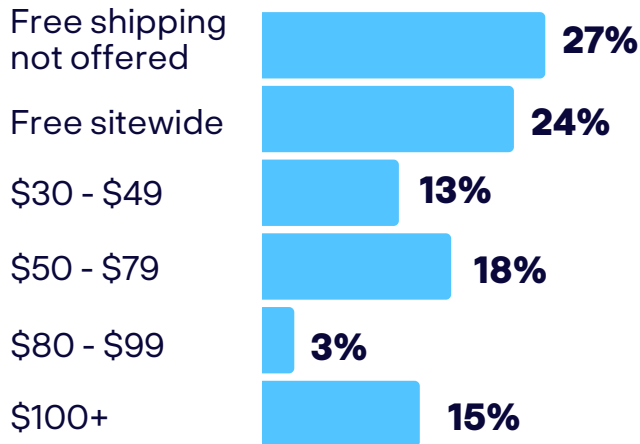of brands require consumers to spend $100+ USD to get free shipping.
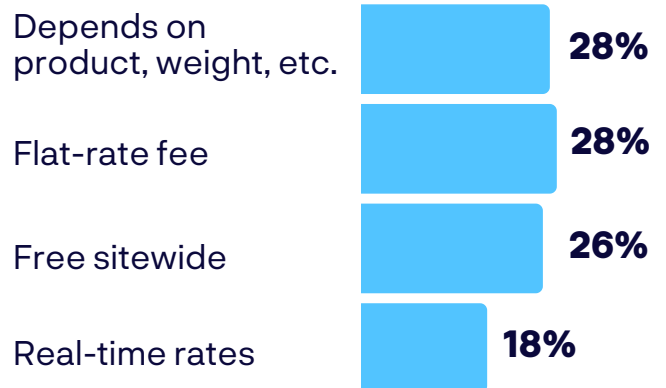
up from 12.3% last year

18%

of brands charge real-time rates for domestic shipments.

up from 13% last year

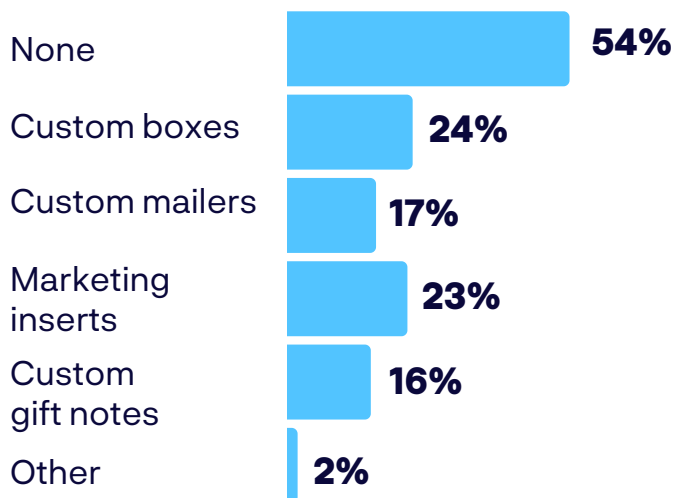## How much do customers have to spend for free shipping (in USD)?

- Free shipping not offered — **27%**
- Free sitewide — **24%**
- $30 - $49 — **13%**
- $50 - $79 — **18%**
- $80 - $99 — **3%**
- $100+ — **15%**

How much do you charge for domestic shipping?

- Depends on product, weight, etc. — **28%**
- Flat-rate fee — **28%**
- Free sitewide — **26%**
- Real-time rates — **18%**

Customization

A beautiful unboxing experience can make an impact, and even little touches can go a long way in making a purchase more memorable, increasing the likelihood of another purchase. It's no wonder that almost half of brands customize their orders in some way, whether it's personalized messages or branded packaging.

What types of customization do you offer in your fulfillment? Select all that apply.

- None — **54%**
- Custom boxes — **24%**
- Custom mailers — **17%**
- Marketing inserts — **23%**
- Custom gift notes — **16%**
- Other — **2%**

A Gift for You

Wish we could send you some of Grandma's famous pumpkin pie, but hopefully this gift is a close second!

Sending all the love to you this holiday season. See you soon!

- Jane

ORGANIC

5 Recommendations

Growth levers like global and channel expansion bring a lot of new possibilities. To maximize the potential of these new audiences, you need a plan to streamline fulfillment while managing shipping costs.

Implement strategies that reduce cart abandonment and increase AOV

Despite shipping costs increasing, many brands offset the costs of fast and free shipping by increasing AOV, extending their customer lifetime value, and optimizing their supply chain.

- "Free shipping" has proven to be the most effective website banner from a conversion standpoint, and is also very effective to message out across other channels (email, social, etc.).

- Incentivize a minimum spend threshold that's higher than your AOV in exchange for free shipping.

- Use bundles or upsells to encourage people to spend more and get a better value.

- Showcase a progress bar at checkout to automatically calculate the amount of money a visitor needs to spend to qualify for free shipping.

- Test offering free 2-day shipping on domestic orders (some brands have been able to increase AOV by 97% and even reduce cart abandonment by 18%).

Fulfill orders from closer to your end customers

Using data to choose an optimal fulfillment location helps you save money on shipping costs and reduce transit times. To do this, many brands split inventory across multiple fulfillment centers.

Cost-savings

It may seem counterintuitive that using more fulfillment centers can save money, but there are many instances where it's effective (most commonly by outsourcing fulfillment, as you won't have leases, labor, equipment, and other expenses).

For example, since US shipping carriers use shipping zones to measure the distance a package travels for domestic shipments in the contiguous US — with the point of origin being Zone 1 and the destination being as far away as Zone 8 — the higher the zone, the more money it will cost (and the heavier the package, the greater the cost difference). Note: Zone 9 is for US territories.

Shipping zones

| Weight in pounds (lbs)	1 & 2	3	4	5	6	7	8	9
1	$6.70	$7.15	$7.30	$7.45	$7.60	$7.85	$8.45	$10.60
2	$7.25	$7.70	$8.75	$9.85	$10.65	$11.80	$12.90	$16.85
3	$7.90	$8.85	$10.15	$11.75	$13.35	$14.65	$17.30	$22.55

* Example rates for illustrative purposes

The chart below shows how using three locations (in Moreno Valley, California; Dallas, Texas; and Bethlehem, Pennsylvania) compared to just one (in Moreno Valley, California) can contribute to a reduction in your average zone and the elimination of the several highest, most expensive zones.

Because the three fulfillment center locations are in populous regions of a very large country, many of the areas remaining in higher zones include some physically large states that are small in terms of population (and thus, have fewer orders).

Map of shipping zone coverage by fulfillment center location

1 fulfillment center

3 fulfillment centers

● Zone 1   ● Zone 2   ● Zone 3   ● Zone 4   ● Zone 5
● Zone 6   ● Zone 7   ● Zone 8   ● Zone 9
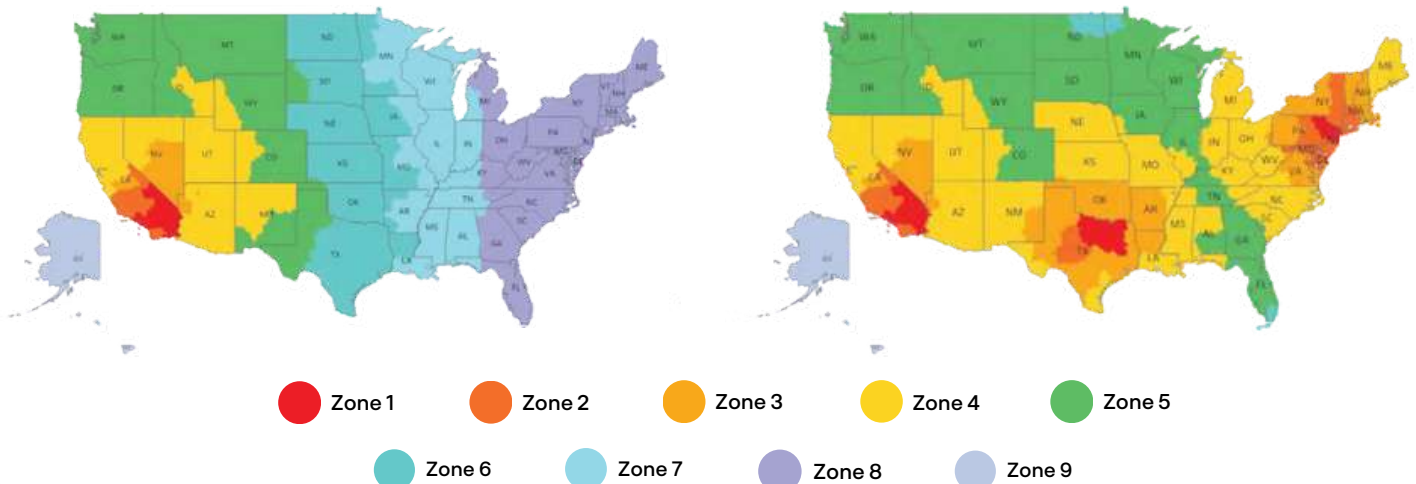
To reduce shipping zones and costs, you can:

- Analyze historical order and zip code data to reevaluate your optimal fulfillment locations.

- Determine if a more central warehouse location (or even a bi-coastal strategy) would benefit your business if you're often shipping from one side of the country to the other.

- Calculate what your shipping costs would be if you went from one fulfillment center to two (or two to three, and so on) by experimenting with different locations, and how those would be offset by the additional transportation and warehousing costs you would incur.

25%

average cost savings from using 3 fulfillment centers in different regions across ShipBob's US network compared to 1.
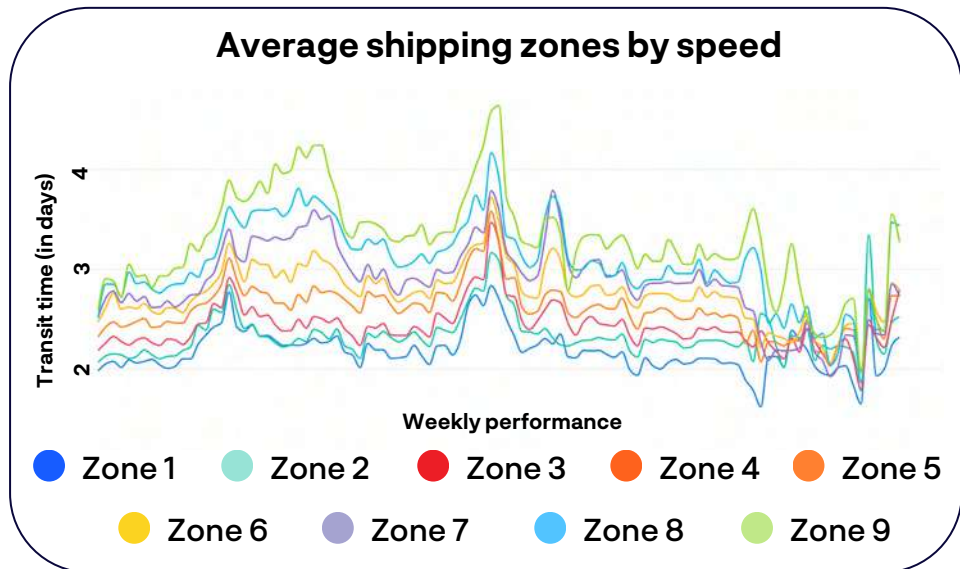
15%

reduction in average transit times from using 3 fulfillment centers in different regions across ShipBob's US network compared to 1.

ShipBob

Faster deliveries

In addition to reduced costs, distributing inventory helps speed up transit times. While anybody can expedite shipments, the costs are very high, causing a major hit to margins and profitability. If you store inventory closer to customers, it can get to them faster via ground.

For example, the zone data to the right is based on ShipBob's average weekly standard US ground transit times (across all carriers). It demonstrates timelines from click-to-delivery (i.e., when a customer places an order to when it is delivered to the shipping destination), broken out by shipping zones across the United States.

Average shipping zones by speed

Transit time (in days)

Weekly performance

● Zone 1   ● Zone 2   ● Zone 3   ● Zone 4   ● Zone 5
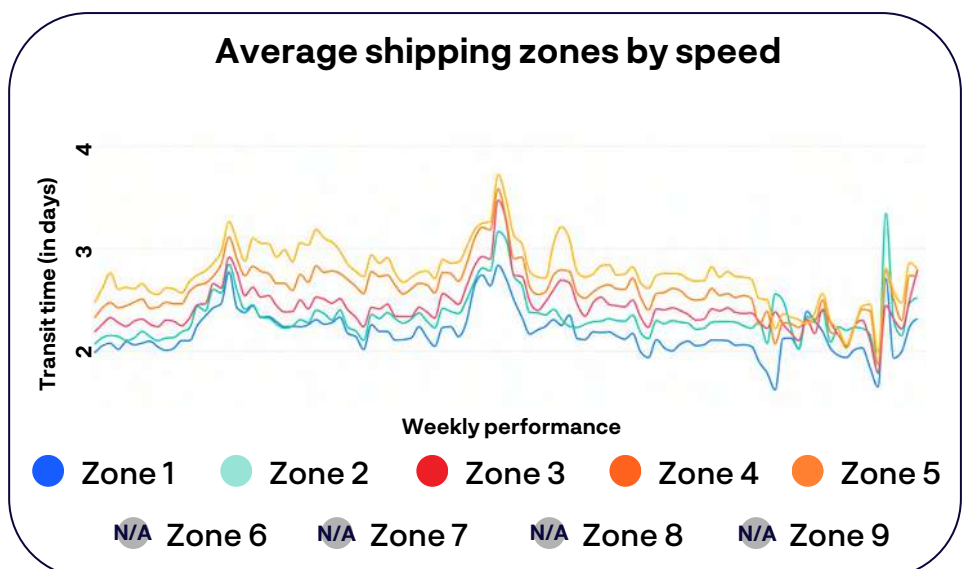● Zone 6   ● Zone 7   ● Zone 8   ● Zone 9

The top line (light green) represents the average Zone 8 shipment over time. Unsurprisingly, it is consistently the slowest zone to ship to, ranging from just over 3 days to 7.27 days (which corresponds with a peak season).

The bottom line (dark blue) represents the average Zone 1 shipment over time. The average for this more 'local' delivery ranges from 1.86 days to 3.66 days.

If we recall the map example, where we used 3 fulfillment centers across different regions of the US, we can eliminate the 3 highest zones (6-8) to see the updated shipping speeds below.

- For the highest zone remaining (Zone 5), the fastest average shipping speed was 1.97 days.

- The slowest average Zone 5 shipping speed was 5.43 days (corresponding to a peak season), which is a reduction of almost 2 days from the previous slowest Zone 8 shipping speed that same week.

Average shipping zones by speed

Transit time (in days)

Weekly performance

● Zone 1   ● Zone 2   ● Zone 3   ● Zone 4   ● Zone 5
N/A Zone 6   N/A Zone 7   N/A Zone 8   N/A Zone 9

6 Conclusion

If anything's been constant in commerce over the last few years, it's been the need to adapt.

While we can't predict what will happen next, brands that remain flexible, optimize their supply chain, and provide a good customer experience are more likely to succeed.

Of course, your shipping and fulfillment strategies play a vital role in how fast and how much you can scale, and how quickly you can move.

If you need help streamlining your inventory management, order fulfillment, and shipping, while meeting your customers where they are, ShipBob is here to support you.

Learn more about ShipBob

ShipBob's technology enables SMB and Mid-Market ecommerce brands to deliver a delightful shopper experience through best-in-class supply chain and fulfillment capabilities.

ShipBob supports thousands of ecommerce brands through our 50+ fulfillment center network across the United States, Canada, Europe, and Australia, and a standalone warehouse management system for brands with their own warehouse(s).

Learn more about ShipBob [here](#).

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