EXPANDING YOUR FURNITURE BUSINESS NATIONWIDE WITHOUT AN E-COMMERCE STORE



Webinar Housekeeping

- We are recording this webinar
- You'll receive the recording and slides
- We'll answer all questions at the end



EXPANDING YOUR FURNITURE BUSINESS NATIONWIDE WITHOUT AN E-COMMERCE STORE

Introductions



JANET VITO VP of Marketing & Sales, uShip



MATT MAYA Owner Curbside Treasures / Recollections



Introductions



CURBSIDE TREASURES

- We provide online sellers logistics technology and transport of large, oversized goods like furniture.
- Over 2 million deliveries since 2004
- Based in Austin, Texas

- We specialize in refurbishing and redesigning furniture, crafts, and household items that we sell on Etsy and our brick-and-mortar store.
- Started in 2013
- Based in Wilmington, North Carolina



Polling Question No. 1

What percentage of furniture sellers do not have an e-commerce site?

- a. 15%
- b. 38%
- c. 55%
- d. 95%
- e. I don't know





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Polling Question No. 1

What percentage of furniture sellers do not have an e-commerce site?







eCommerce Furniture Market





GOOD NEWS!

25% prefer one-of-a-kind furniture¹

31% are willing to spend over budget for the perfect piece¹



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Polling Question No. 1 Results

95% of furniture sellers do not have an online e-commerce store to sell their wares.



SELLING FURNITURE NATIONWIDE WITHOUT AN E-COMMERCE STORE

Ways to Reach Out-of-Area Buyers





COMMON ROADBLOCK: SHIPPING & LOGISTICS

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The Roadblock: Shipping & Logistics

WHAT'S A GOOD SHIPPING RATE?

WHO'S RELIABLE & TRUSTWORTHY?

WHAT ABOUT DAMAGES?



FIVE BEST PRACTICES FOR SERVING OUT-OF-AREA BUYERS

Five Best Practices for Serving Out-of-Area Buyers





BEST PRACTICE NO. 1: MANAGING ORDER INTAKE & PROCESS



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Managing Order Intake and Process



YOUR CUSTOMER'S ALTERNATIVE

amazon Walmart >¦<

*wayfair



BEST PRACTICE NO. 2: SELECTING THE RIGHT SHIPPING METHOD



Selecting the Right Shipping Method







WHITE GLOVE

ROOM OF CHOICE

LTL



Selecting the Right Shipping Method





BEST PRACTICE NO. 3: SETTING A SHIPPING PRICE STRATEGY



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High Shipping Price Statistics





47% of furniture buyers say high delivery costs caused them to look elsewhere for the item.²

56% said they would avoid a boutique furniture retailer if they encountered high shipping costs.³

³ Source: Dream Décor Report, uShip, August 2019

Four Questions for Setting a Shipping Price Strategy

1. What is your average sale price?

111 2. What is your target market?

3. How unique is your product?

4. What are your business goals?



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1. Free Shipping/Shipping Included

How it works

The seller offers free shipping by:

- Folding shipping cost into the product price
- Covering the entire cost of shipping
- Some combination of the two





1. Free Shipping/Shipping Included



Pros

- Meets expectations of today's online buyer
- Levels the playing field with Amazon, Wayfair
- Streamlines the checkout process
- Reduces cart abandonment rates

Cons

- Higher product price may turn off potential buyers
- Gives customers an excuse to comparison shop
- Costs need to be made up elsewhere (e.g. higher volume)



2. Subsidized Shipping

How it works

The seller offers a low, standard delivery price by subsidizing the shipping fee. In some cases, the seller may offer an additional "bulk discount" for customers who purchase multiple items.





2. Subsidized Shipping



Pros

- Seller can offer an attractive shipping cost
- Levels the playing field with high-volume sellers
- Eases customers through the checkout process
- Improves conversion rates

Cons

- Attaining predictive, affordable shipping rates is imperative
- Smaller retailers lack the negotiating power
- Subsidizing long-term not a sustainable strategy



3. Breakeven Shipping

How it works

The seller charges the customer for the actual cost of shipping.





3. Breakeven Shipping



Pros

- Straightforward approach for seller
- Done right, it can establish trust with buyers
- Trust creates loyal, repeat buyers

Cons

- Average buyers aren't aware of shipping rates
- Done wrong, it can create doubt in buyer's mind
- May lead to higher cart abandonment rates



4. Revenue Shipping

How it works

The seller charges the customer more than the actual shipping charge.





4. Revenue Shipping



Pros

- Turns shipping into added revenue stream
- Covers out-of-scope carrier charges

Cons

- High shipping rates can lower conversions
- Undermines buyer trust if they see rates



Shipping Price Strategies Quick-Reference Guide

Business characteristic:	Free/Included (no fee)	Subsidized (low fee)	Breakeven (actual fee)	Revenue (higher fee)
AVERAGE SALE PRICE				
Expensive	•	•	•	
Lower priced	•	•		
TARGET MARKET				
Higher end	•	•	•	
Lower end	•	•		
PRODUCT UNIQUENESS				
Unique		•	•	•
Commonly available	•	•		
BUSINESS GOAL				
Reduce cart abandonment rate	•	•		
Compete with big box retailers	•	•		
Generate new source of revenue				•



BEST PRACTICE NO. 4: REDUCING DAMAGES AND INSURANCE CLAIMS



Reducing Damages and Insurance Claims





Alternative Option

Reducing Damages and Insurance Claims



FINAL MILE: Items can change hands 6-8 times (high damage rate)

FIRST-TO-FINAL MILE: 1-2 touches, blanket wrapped



BEST PRACTICE NO. 5: DEALING WITH RETURNS & 'REVERSE LOGISTICS'



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Dealing with Returns and 'Reverse Logistics'

Of consumers who have made an oversized e-commerce purchase in the past year, **one in five (21%) have ordered something that arrived damaged.**





SELLING FURNITURE NATIONWIDE WITHOUT AN E-COMMERCE STORE

Polling Question No. 2

What shipping price strategy do you plan to use for your business?

- a. Free Shipping/Shipping Included
- b. Subsidized Shipping
- c. Breakeven Shipping
- d. Revenue Shipping
- e. Other/I don't know



Recap and Next Steps



Reaching Outof-Area Buyers IS possible



Take our Shipping Price Strategy Quiz



Take the Next Step



FIND OUT MORE: uship.com/in-home-delivery

CONTACT:

Janet Vito VP of Marketing & Sales, uShip email: jvito@uship.com



THANK YOU

Seed Questions for Q&A

For Janet:

What kinds of transporters does one find on uShip?

What kinds of companies does uShip help? And what kinds of items?

For Matt:

How do you weigh such large items with confidence? What advice do you have for an offline seller wanting to expand? How have you reduced your damages?

How do you handle insurance? Do you get it for every shipment?

