



CASE STUDY

22% SAVINGS IN SHIPPING COSTS IS BOTH RARE AND WELL DONE

BACKGROUND

A leading outdoor products company — with a focus on backyard cooking — historically experienced fairly predictable demand patterns, leading to equally predictable logistics requirements and costs. However, as the global COVID-19 pandemic changed consumer behaviors and increased their time at home, demand for the company's products skyrocketed. Suddenly the manufacturer not only needed to ship many more products, but also significantly increase its direct deliveries to consumers' homes.

THE CHALLENGE

While the sudden upswing in demand drove higher revenues, the company needed to control costs by making intelligent, informed decisions about parcel shipping at scale. The manufacturer lacked the analytics and reporting processes needed to minimize parcel shipping costs, while still delivering high service levels and maintaining its strong carrier relationships.

THE SOLUTION

Redwood's Parcel Mediation service is built to address this challenge — and has produced results for over 500 customers. Redwood experts collaborated with the manufacturer to gather data and conduct an in-depth analysis of its parcel shipping practices. Redwood not only delivered strategic business insights, intelligence and action items to drive down costs in the short term through an improved carrier contract, but also coached the company's team members to create ongoing improvements and long-term savings after the initial engagement.

THE RESULTS

The outdoor products manufacturer was able to quickly achieve a 22% savings on its parcel shipping costs without operational changes, which contributed directly to bottom-line savings. By applying a more strategic approach to its carrier relationships and contract negotiations, the company has also been able to strengthen these partnerships, especially with its incumbent carrier. Today, Redwood continues to add value by conducting quarterly business reviews and creating reports that highlight additional operational savings opportunities.



MARKET

- Durable Consumer Goods

KEY TOOLS & SOLUTION

- Parcel Mediation

KEY RESULTS

- 22% reduction in parcel shipping costs
- More strategic approach to carrier relationships
- Ongoing analysis to identify new cost savings

"Redwood's Parcel Mediation was not a one-time event, but instead represents a lasting collaboration with our business.

In addition to delivering enormous and immediate cost savings, Redwood's experts worked side-by-side with our team to create institutional knowledge and instill best practices. Today, Redwood is providing continuous support that allows us to identify and capture additional opportunities for cost savings."