Peak Playbook

The big business essential guide to the busy season







A note from Gary Starr

With online shopping still thriving despite economic pressures, the focus for big retailers this peak season will once again be on ensuring seamless logistics, maximising efficiency and delivering an exceptional customer experience.

This playbook is designed to guide your team through these critical areas, help you navigate peak demand effectively and enhance your long-term market position.

To help you make the most of it, we've put together this playbook which covers:

1

Strategic eCommerce insights for a competitive edge and data-driven decisions.

2

Operational excellence around essential best practices, from efficient parcel preparation and dispatch to optimising tracking and delivery options.

3

Key details on delivery changes, peak volume forecasting, and leveraging self-serve tools for seamless operations.

We look forward to working together with your team to make this your most successful peak yet.

All the best,

Gary Starr

Executive General Manager, Parcel, Post & eCommerce Services



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best peak ever



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best peak ever

Data and insights to help understand your online shoppers



Data insights to help you

plan for a strong peak

Data is a powerful tool for predicting online shopping trends and refining your eCommerce strategy. Use our latest eCommerce update¹ to inform your approach to peak season and beyond.

Online purchases grew by:

1.1%



in the last 12 months leading up to June 2024



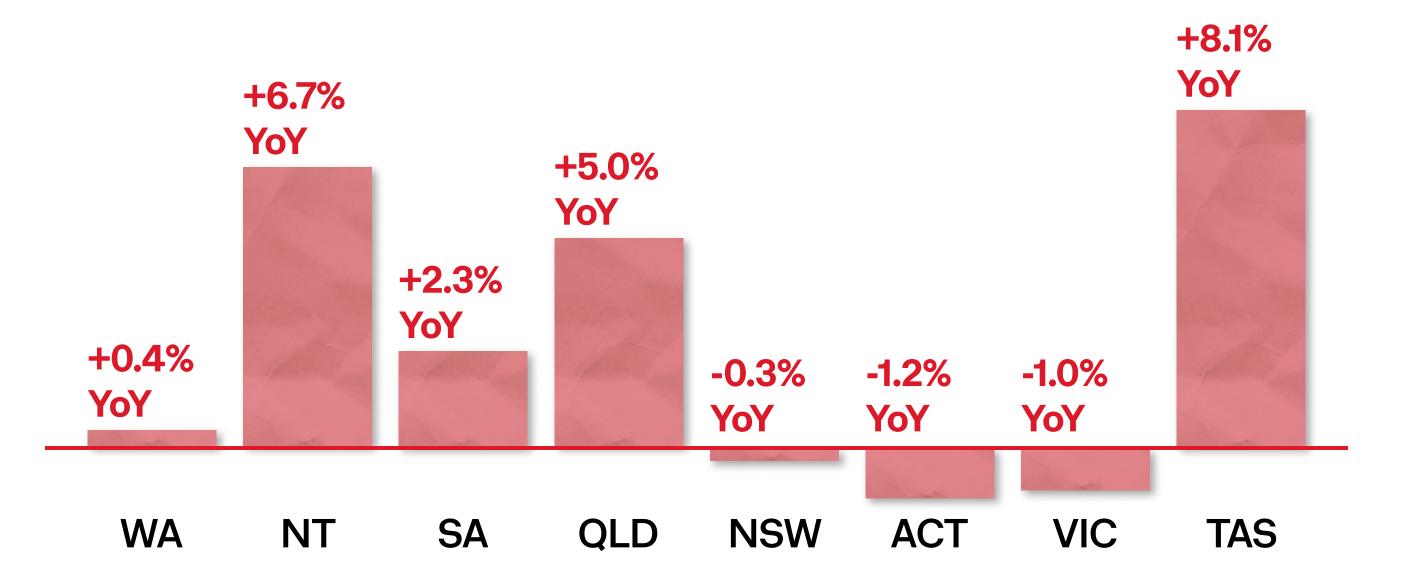


End of Financial Year (EOFY) sales growth (YoY)

Most popular categories:



How the states performed:



Here's how these insights can help strengthen your peak strategy

Tailor your marketing campaigns

to target regions showing strong growth, such as Queensland, Tasmania and regional Australia.

Bundle products or offer

discounts to attract customers looking for cost-effective options.



Provide flexible payment

options like buy now, pay later (BNPL) services to make products more accessible.

Focus on retention (usually more cost-effective than acquisition) by offering loyalty rewards, exclusive discounts or early access to sales. Nearly half of online purchases in FY24 were from sites that people have a loyalty/membership relationship with.¹



Set your business up for Black Friday success with our <u>list of strategy ideas</u>.





Despite the cost-of-living challenges, eCommerce in Australia is 66 proving resilient. We've seen growth in EOFY and Click Frenzy sales this year, and we expect a robust peak season.

– Phillip Ngo, Strategic Insights Lead at Australia Post

Build customer loyalty

with faster delivery

67% of Gen Z (18-26) shoppers will switch retailers for faster shipping² so consider offering customers more <u>next day delivery options</u> to improve their delivery experience and your competitiveness.



an item they really need delivered the next day.⁴

important during peak.³

If you're not prioritising delivery options, you could fall behind in the race for checkout conversions. Understand how <u>clear communication and fast</u> <u>delivery options</u> can enhance customer satisfaction and loyalty.

66 We offer free express shipping in November and December when customers want to receive their product faster. It makes for a better experience and boosts customer loyalty.

– Richard Li, Co-founder of July Luggage



Create operational efficiency

by helping customers self-serve

The more customers who can track their own deliveries, the fewer enquiries your business receives. That translates to a reduced customer service load and lower operational costs.

To encourage the self-serve route, share one or more of these options when you send customers their tracking details.

- 1. Download the AusPost app
- 2. Use a MyPost account
- 3. Use the Track & Trace tool if you send with StarTrack
- 4. Track without logging in



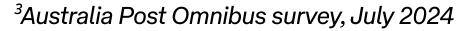
Keep your website FAQs and confirmation emails up to date <u>using our messaging templates</u>. They contain all the delivery and tracking information customers want to know.



66 People want a wider range of delivery options and next day delivery helps us stay competitive and relevant. The huge amount of positive customer feedback has been very rewarding.

– Tony Carr, Executive General Manager of Supply Chain at <u>Myer</u>

¹Australia Post eCommerce survey FY24 ²2024 Inside Australian Online Shopping Report



⁴Australia Post Consumer Segmentation Research Wave 7, June 2023

A refresher

on the basics

Your 101 to parcel prep

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Best practices for best results

These best practices will be familiar to seasoned members of your warehouse and logistics team, but are a good refresher for new members or casuals.

Smart packaging and labelling

Preparing your freight correctly is one of the best ways to ensure parcels are sent to the right facility, processed quickly and delivered to your customers on time.



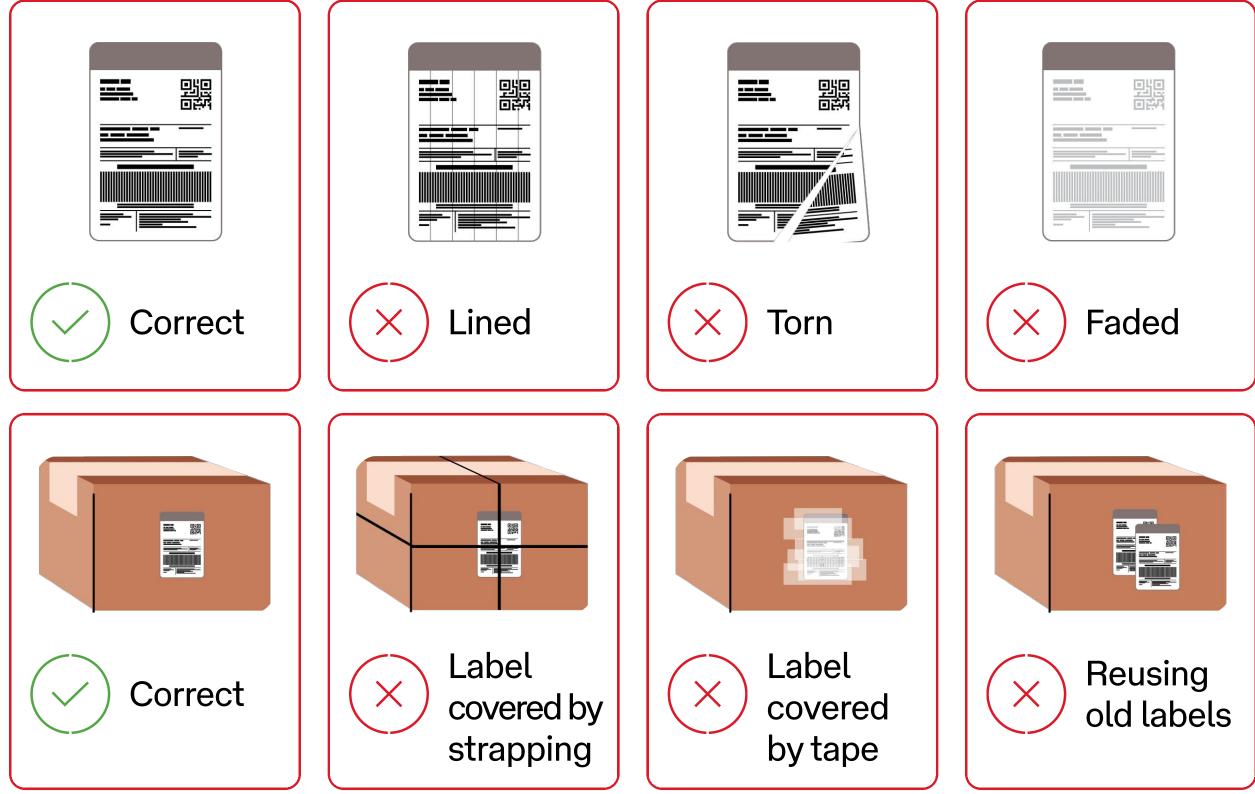
Choose packaging that:

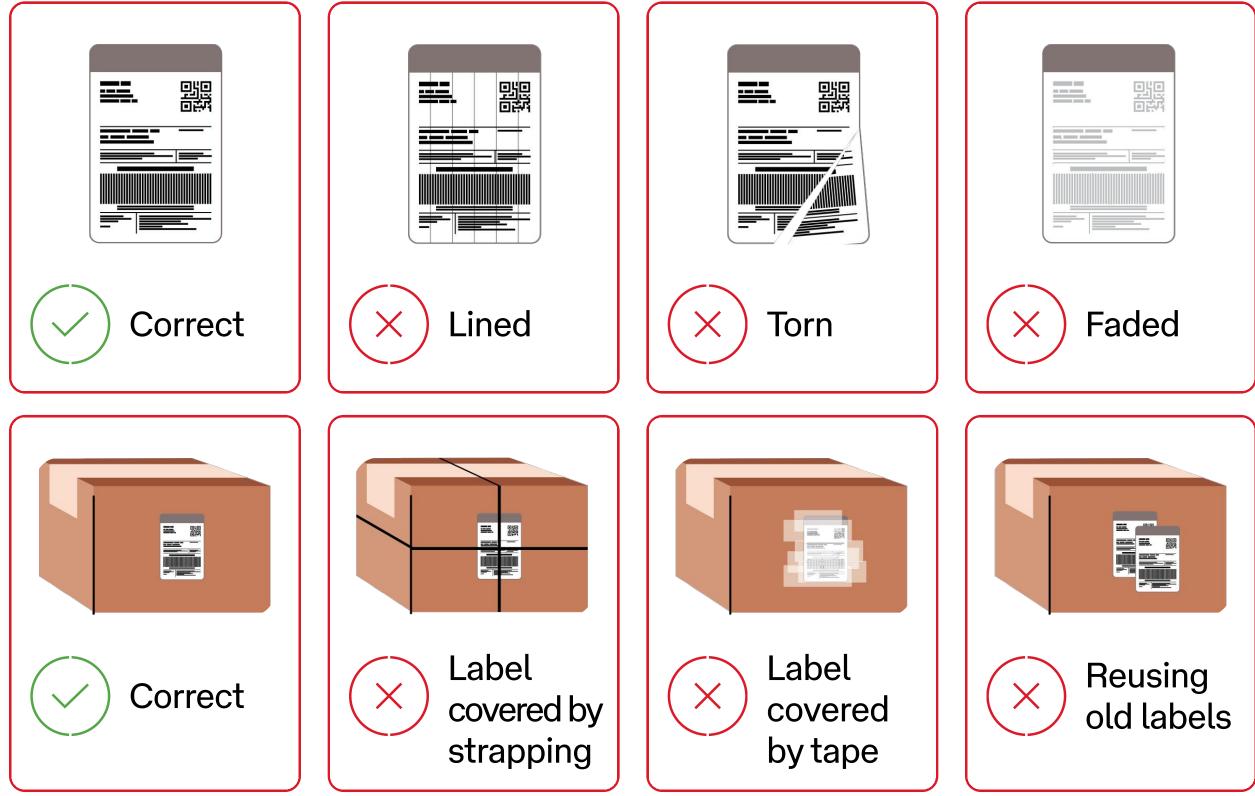
- \checkmark Is sturdy and correctly sized to fit and protect the items inside.
- Has a matte surface in bright or light colours. Glossy packaging can easily slip off conveyor belts.
- Doesn't have any loose straps, flaps, ribbons, strings or handles that can get caught on the moving parts of our sorting machines.
- Is soft (where possible) so more of your parcels can fit into a plane's cargo space.

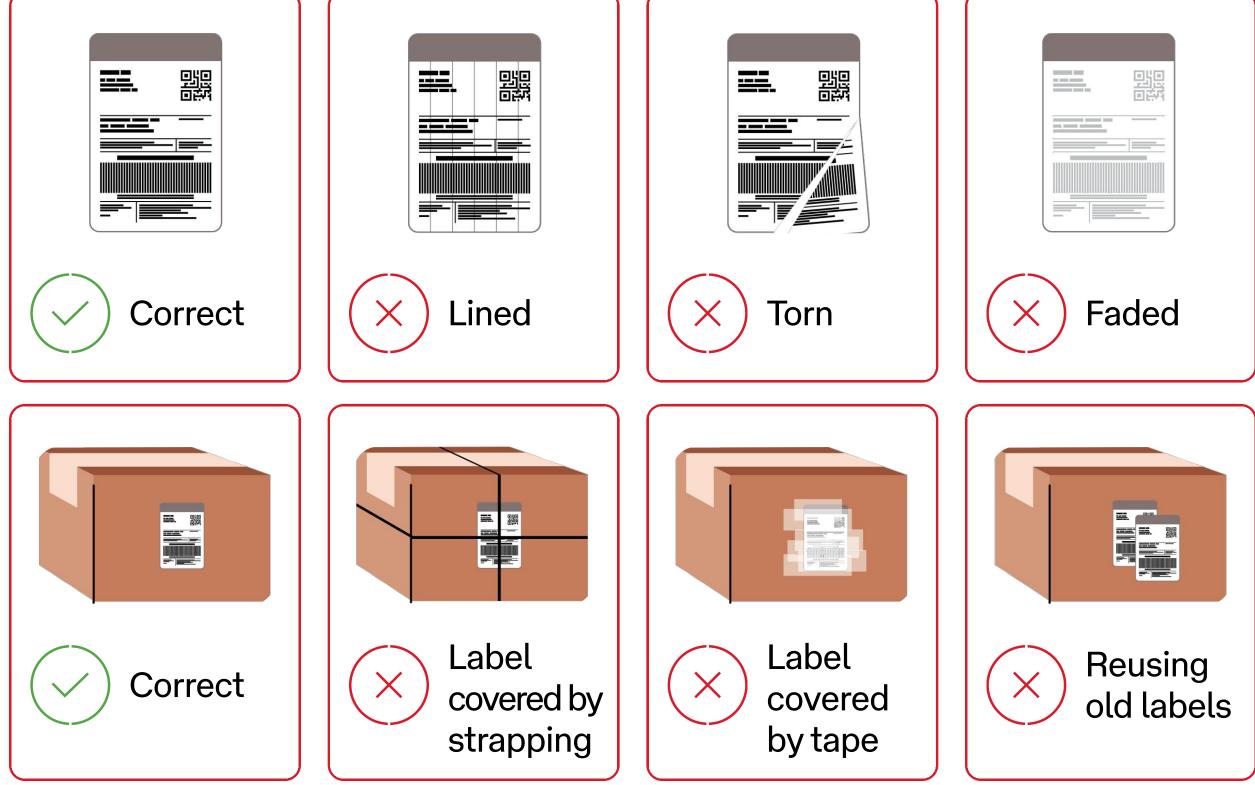
Labels should be:

- Printed on matte white paper with the address and barcode \checkmark in black ink and free of any print lines.
- Free from damage, wrinkles and wrapping. \checkmark
- Placed on the largest, flattest surface of the parcel. \checkmark
- Clearly visible and not covered by strapping or tape.
- Not be wrapped around edges or over a fold or seam.

Labels should include a Smart Barcode with a Delivery Point Identifier (DPID) - optional for Australia Post parcels only. A DPID is a unique reference number for a specific physical delivery address and including it contributes to parcel delivery efficiencies.







<u> </u>	

Watch our videos on best practice packaging, labelling and manifesting.

C Accurate weight and size and readable barcodes are key to on-time delivery and parcel tracking. Clear barcodes are crucial because they direct each parcel through the right chute for delivery to the right location.

– Rohini Chand, Network Operations at Australia Post

Efficient sorting and manifesting

For streamlined delivery, sort your parcels by:

Speed

Separate Express Post from Parcel Post and StarTrack Courier from StarTrack Premium into the respective Unit Load Devices (ULDs) so we know which parcels to prioritise.

Size

Separate small parcels from larger ones into the respective Unit Load Devices (ULDs) so each batch goes to the right facility. Otherwise, it'll have to be re-routed which could cause delays.

Manifesting for on-time delivery

Peak season usually means multiple pickups every day – and how you manifest each order can be the difference between on-time and delayed deliveries.

Submit your manifest only when we pick up your parcels. Too early and you set unrealistic delivery expectations with customers; too late and we'll need to enter data manually which can cause delays.

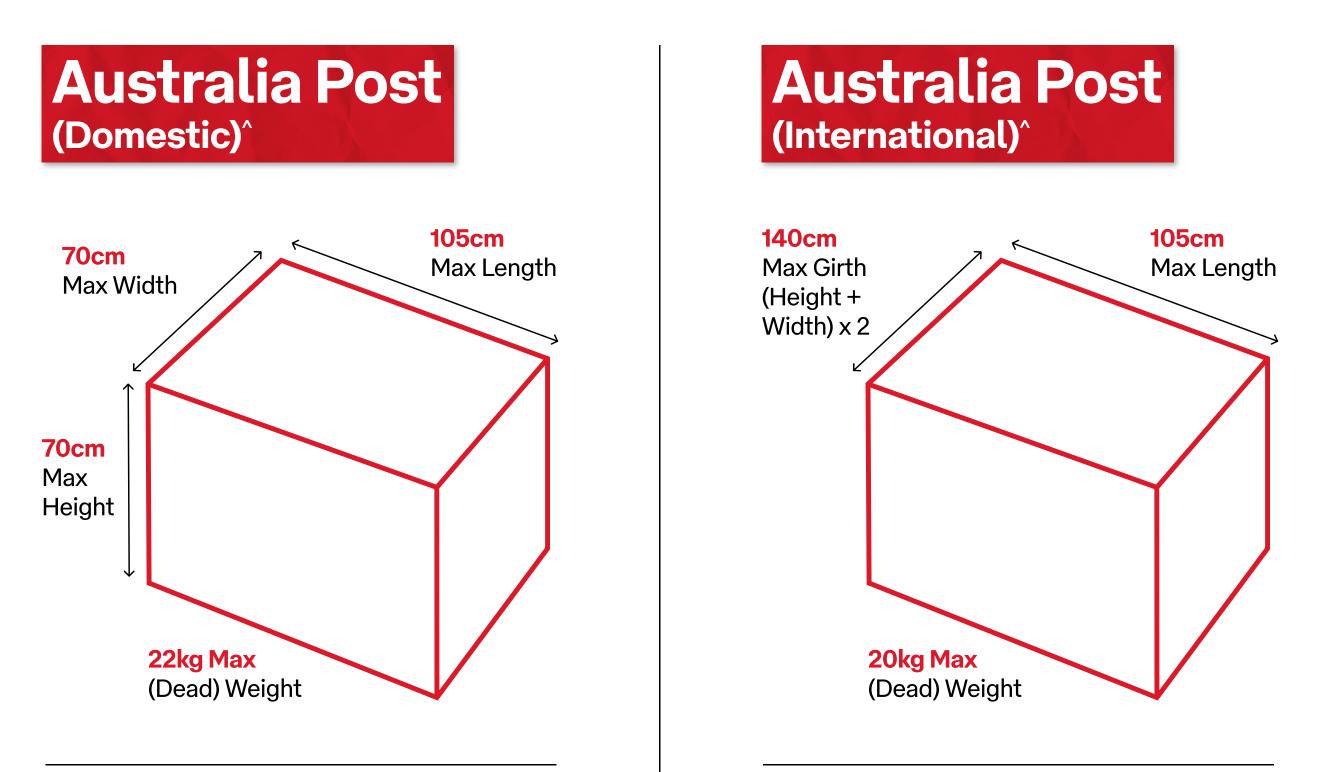
On-time manifesting is crucial for:

- Getting parcels to customers on time.
- Parcel visibility in our network.
- Setting accurate delivery expectations.
- **66** First, we make sure we've got the right product, select the right packaging and verify the customer's address. Then we manifest in line with pickup times to send accurate, live information to customers.
 - Brett Fielding, National Distribution Centre Manager at <u>Kathmandu</u>



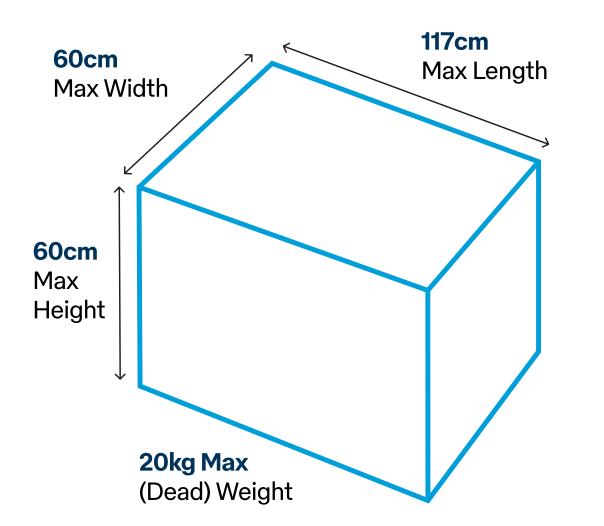
Check parcel size and weight

To avoid any extra charges, keep your parcels within the maximum size limits for your chosen service. Also remember that boxes mustn't exceed 0.25 cubic metres.



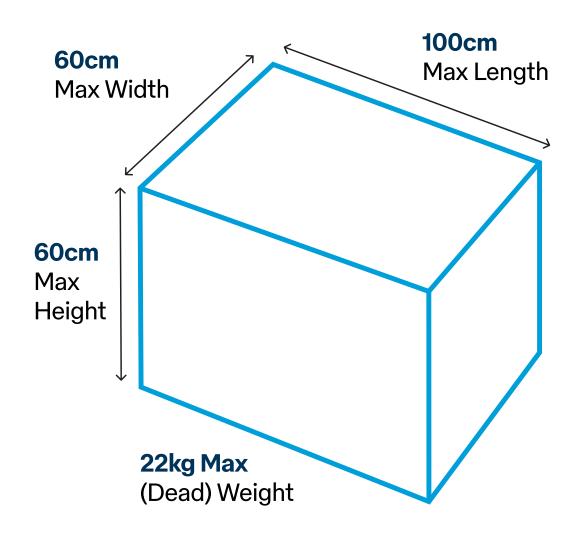
StarTrack Road

Express*



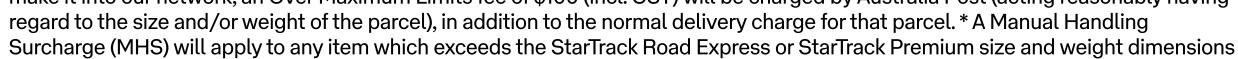
StarTrack Road

Premium*



Watch our videos on best practice <u>sorting</u> and <u>manifesting</u>.

^ Australia Post may refuse to carry any parcel that falls outside these size and weight limits and where the parcel is refused, an Administrative Fee and the Return to Sender Fee will be charged. For any parcel over the maximum limits consigned to us that does make it into our network, an Over Maximum Limits fee of \$100 (incl. GST) will be charged by Australia Post (acting reasonably having



Getting ULDs and pallets cargo-ready

- Unit Loading Devices (ULDs) are how Australia Post moves parcels and freight for large businesses. If ULDs aren't available, we may ask you to use pallets instead.
- During peak season, we recommend reviewing your ULD orders daily so you always have the quantity you need to get orders out.



Make sure your ULDs:

- Isn't overfilled or exceed 600kg in gross weight, or we won't be able to accept it.
- Has the Australia Post-provided VISA labels on two sides so it's routed correctly. Order VISA labels through your lodgement point.
- Has the gross weight, customer name and correct lodgement date on the labels.

Print our ULD checklist poster

If you're using a pallet, ensure it:

- Doesn't exceed 1.6m in total height and 1,000kg in total gross weight.
- Is secured by shrink-wrap (at least three times and including the base) or a strapping method approved by Australia Post.
- Is always stable by placing any satchels in boxes before stacking them.
- Doesn't have parcels extending beyond its perimeter.

Print our pallet checklist poster



Sending with StarTrack

An Oversize Charge will apply to any item consigned using any StarTrack Service excluding Courier that exceeds a dead weight of 32kg, or where any side measures 150cm or greater.

Preparing a StarTrack freight

For items over 16kg, place a 'Heavy' sticker on the parcel and record the exact weight in your manifest and consignment label.

For items over 32kg, secure them to a pallet or skid for handling by Load Shifting Equipment (LSE).

Include a Dangerous Goods status and mass with your freight

Preparing a StarTrack pallet

Restrain and confine freight within the pallet dimensions.

Wrap pallets for transport and label on all five sides.

Record the correct weight and align it to a manifest. Pallet dead weight must not exceed 800kgs.

Pallets must be in a serviceable condition and suitable for transport with maximum dimensions of L 1.17m x W 1.17m x H 1.8m.

if appropriate.



For single cartons with dead weight exceeding 32kgs, please brick-lay cartons (overlapping) when stacking on the pallet.



Stay updated on <u>StarTrack sending dates</u> and our <u>StarTrack Oversize Guide</u> for more information

*A Manual Handling Surcharge will apply to any item that is incompatible with, or which cannot be safely sorted on our automatic sorting machines, and which exceeds the StarTrack Road Express or StarTrack Premium size and weight dimensions. Please note that any incompatible packaging items purchased from Australia Post sent via StarTrack will incur a Manual Handling Surcharge. An Oversize Charge will be applied instead of the Manual Handling Surcharge for items falling within the oversize ranges listed in the StarTrack Oversize guide

Seamless returns

Nearly 76% of online shoppers read a website's return policy before placing an order.¹

37% of online shoppers choose to purchase from one site over another based on the quality of the return options.²

Returns are part and parcel of the online shopping experience and just as important as the checkout or delivery experience.

A good returns policy can create an online 'fitting room' experience in your customers' home - they can try different sizes or designs, and 'put back' what doesn't suit them.

Creating a good returns policy

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Extending returns

Consider **extending your returns policy** during peak season to 30 days or more, so gifts that are opened later can still be returned.

Simple process

Keep the process simple for you and your shoppers by offering **free returns or returns at a flat rate.**

Reminder

Mention your returns policy on

the checkout page as a friendly reminder or in a purchase confirmation email so customers can easily find it.

Speedy refunds

Ensure speedy refunds – either when the customer sends their return or as soon as you receive it.



Who is using returns the most?

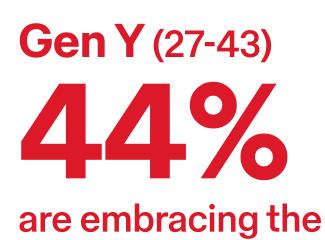
Understanding how likely your customers are to return an item³ can help you better forecast your post-peak returns volume.

Gen Z (18-26) 51% are riding the return wave, indicating a strong inclination for sending items back.

Gen X (44-59)

34%

of shoppers are actively participating in the return trend, showing a clear preference for sending items back.



Baby Boomers (60-78) 21% are returning items to retailers, with the majority sticking with their purchases.

return game, opting to send items back.

66 Our Linen Lovers program has a 90-day returns policy. It's about being flexible and making the customer experience as nice as possible.

– Emma Porter Senior CRM & Loyalty Manager at Adairs



Returns Portal Plus

If you're a Returns Portal customer with 5,000 or more returns a year, ask your Australia Post Account Manager about upgrading to Returns Portal Plus. This gives you access to additional features including real time data to support refunds and customer service enquiries, enhanced page by page customisation, and direct API integration.

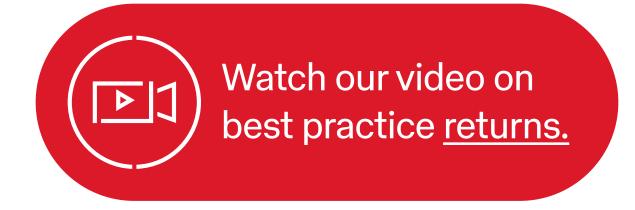
Printer-less returns

With Print at Post, you can email your customers a QR code to get their returns label printed for free. All they need to do is show the code at a participating Post Office⁴ – a big timesaver for those without a home printer.



66 No one knew who we were in our first two years of business. The way we got customers was to provide a hassle-free, 100-day return policy.

– Richard Li, Co-founder of <u>July Luggage</u>



¹Australia Post Omnibus Consumer Survey, Nov 2023 ²Australia Post Consumer Omnibus Survey (Jan 2023)

³Inside Australian Online Shopping Report 2024 ⁴Only available at select Post Offices. Visit our <u>Post Office</u> <u>locator</u> to search for your nearest outlet offering Print at Post.

Cross borders with international shipping

As an eCommerce business, the world is your oyster. Max Sahil, International Solutions Lead at Australia Post, shares tips for a smoother sending experience, whether you're new to international markets or already have a global presence.

1. Peak season

Australia Post's international peak season centres on Black Friday, with most of our deliveries being fashion items to the U.S. If this is your sector, have early discussions with your Account Manager about delivery times and cargo space.

2. Stay updated

Monitor **international delivery times** and **service updates** on our website so you can communicate any changes to customers.

3. Keep us notified

If you expect a spike in international orders, notify us well in advance so we can secure sufficient airplane cargo space.

4. Compact packaging

Choose packaging that's protective yet compact to maximise the number of parcels that can fit on a plane.

5. Provide details in advance

Provide the HS tariff code, addresses and postcodes in advance (even for optional fields) for items sent to Electronic Advance Data (EAD) mandated destinations and European Union (EU) countries. Submit this information through the business lodgement systems to avoid items being returned to sender.





Global opportunity

The latest U.S. eCommerce sales data suggests that Australian international selling is growing. In the first quarter of 2024, eCommerce increased 8.6% when compared with the first quarter of 2023, while total retail sales increased 1.5% in the same period.¹

However, Australia represents less than 5% of global trade, which presents a huge expansion opportunity for Aussie businesses internationally.

Australia Post international size and weight guidelines

Max. (dead) weight	20kg
Max. length, longest side	105cm
Max. girth (height + width) x 2	140cm



Bookmark for quick reference:

International export tools help you classify your goods easily and accurately and understand taxes and duties that may be charged at destination Customs.*

International postal guide has the rules and guidelines for sending to a particular destination so your item arrives without delay.

Optional extras for more peace of mind when sending internationally.

Pre-arrival clearance for EU-bound items to ensure you supply the right and complete data to the destination countries.

Transparency around delivery times is key. Wherever in the world the customer is based, getting an accurate reflection of how long delivery will take is crucial. Being able to click a link to track their parcel is what's most important to them.

– Austin Ludwik, Supply Chain Specialist at Hismile



Watch our videos on best practice international sending.

¹US Census Quarterly Retail E-Commerce Sales

*Only available to parcel services customers using an enabled 3rd party platform or direct API

A positive delivery experience

Save time by helping customers track their own deliveries

Parcel tracking gives shoppers more peace of mind and visibility of their parcel's journey – which means less calls to your customer service team.

Encourage customers to download the <u>AusPost app</u> and sign up for a <u>MyPost account</u>, so they can:

Raise enquiries directly with Australia Post instead of your customer service team.

Track all Australia Post deliveries in one place.

Have confidence

that our notifications are secure, accurate and legitimate. The AusPost app's high security features mean customers can trust the notifications aren't a scam.

Manage delivery preferences,

9:41

Access our 7,500+ collection points,

including 24/7 Parcel Lockers. 68% of active app users have used a delivery choice option to receive their parcel. including whether to <u>have a</u> <u>parcel left in a safe place</u> <u>or redirect it</u>.

AusPost

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How to promote

the AusPost app

- On the confirmation screen at checkout
- On your shipping page
- In your FAQs, wherever



or order tracking

The AusPost app

3.8M Aussies used our app during peak 2023 (up 14% YoY) – a sign of its reputation as a trusted and legitimate source of notifications from Australia Post.

How different generations use the AusPost app to improve their delivery experience¹



Gen X (44-59) 34% value push notifications and real-time updates. Baby Boomers (60-78)

value tracking parcels in one spot.





Parcel Lockers — a secure delivery choice

The security and convenience of Parcel Lockers offer a better delivery experience for customers who aren't always home to receive their deliveries. This could mean an improved NPS for your business.

Here are three easy ways to add the collection points option to your website:

- **1.** Parcel Collections widget free to download and easy to integrate.
- 2. <u>Delivery Choices API</u> to further customise your checkout.
- **3.** Shopify integration via your eCommerce site.
- 66 We know customers get really excited about receiving their new sneakers, so we encourage them to use a Parcel Locker. This way they can pick up their fresh kicks anytime they like.

– Alexia Alessi, Store Manager at <u>Hype DC</u>



More and more Australians want deliveries sent to a Parcel Locker and offering this option could reduce customer enquiries and improve your NPS.

1.3M Parcel Locker deliveries during peak 2023 – up 32% YoY.

25% of businesses are integrating collection points on their website for peak this year.²

7 in 10

businesses believe it's important to offer collection points during peak.²

¹Inside Australian Online Shopping Report 2024 ²Australia Post Omnibus survey, July 2024



best practice <u>tracking</u> and <u>Parcel Lockers</u>.

Shop online, Collect for free anytime,

and return.

Step 1. Scanbarcode or entervour accourt Step 2. Door opens

24/7 parcel

Step 3. Coll



The

essentials

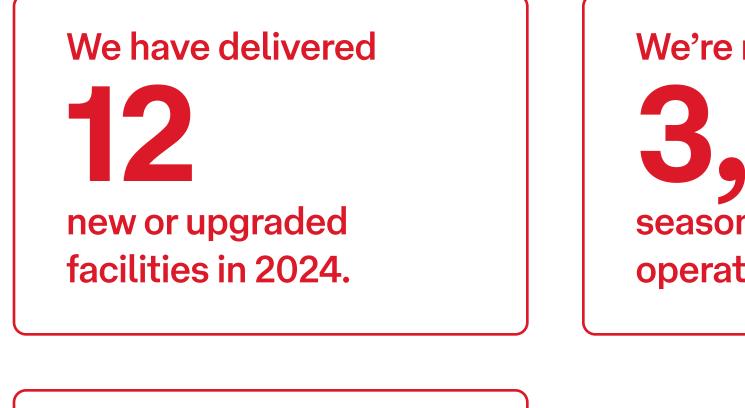
From forecasting to eCommerce Jargon Busters, get the details here

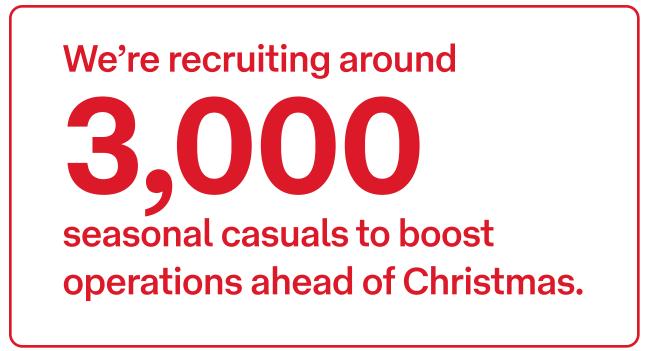


Here's how we're delivering

for your business this peak

At Australia Post, we're scaling up to meet demand this peak season so we can better support your business.







Visit our **Peak Preparation** page regularly for live updates on:

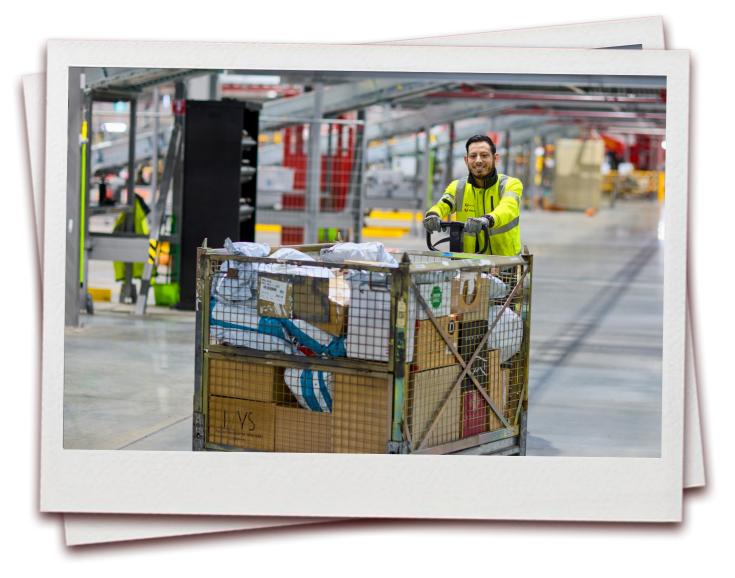


improvement in accuracy and precision of our estimated delivery date prediction in FY25 to date.



Lodgement cut-off dates

Changes to delivery times 3 and services

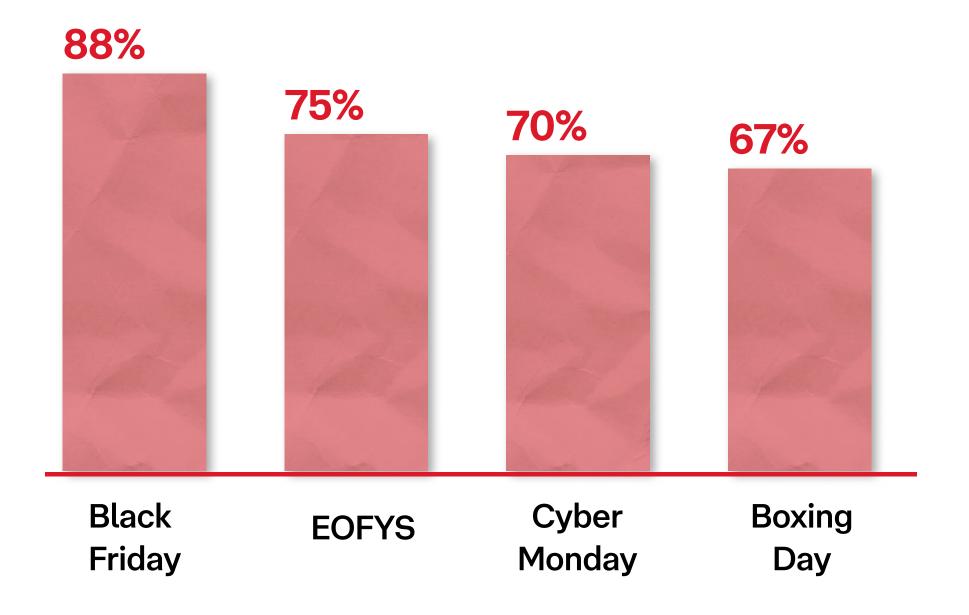


This year, with Black Friday on 29 November, we expect our 66 busiest weeks from 2-15 December. In business-to-business markets, we'll see volumes increase from early November as businesses stock up their warehouses.



Online sale event volumes skyrocketed in 2023 compared to 2019 - a prime opportunity for businesses to drive huge sales growth over just a few days.¹

Growth in online purchases during sales events (2023 vs 2019)





Download our 2024 interactive eCommerce sale event <u>calendar</u> for key sale dates, expert insights and ideas from



other business to help build your sales strategy.



C Sales events are growing in significance and will be more important given the current economic environment. Many Australians will use sales events to stretch their household budget. For example, around 10% of Australians bought Father's Day gifts during the EOFY sales this year.

Paul Zahra, CEO at Australian Retailers Association

Forecasting and preparing

for peak season volumes

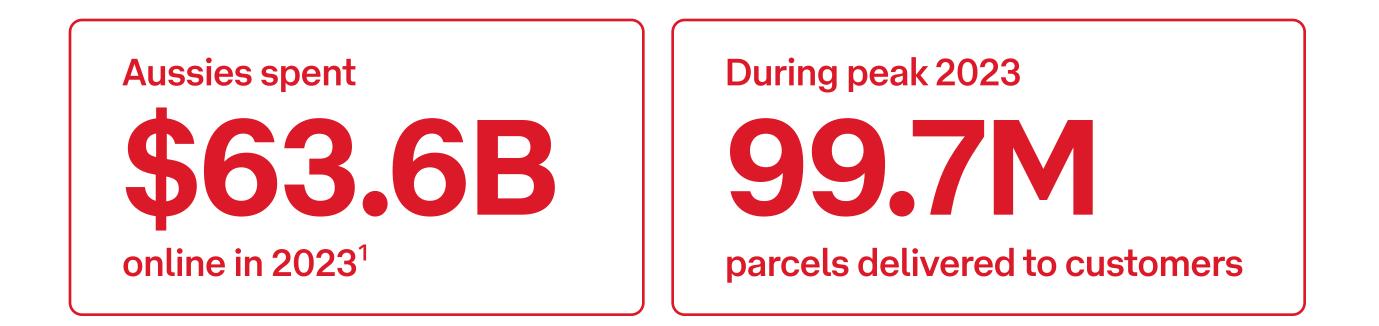
Understanding your expected increase in parcel volumes during peak will help your team plan more effectively for on-time deliveries. Here's what you could consider:

- Develop multiple scenarios for peak season volumes, from conservative to aggressive forecasts, to enable agile decisions as new data comes in.
- Tailor marketing efforts to the current economic climate, focusing on value-driven messaging to attract budget-conscious consumers and better predict demand.
- Inform your Australia Post Account Manager of forecast
 volumes early to secure extra ULDs, pickups or airline cargo space.
- Plan around last sending dates based on our pre-Christmas lodgement deadlines.
- **66** During peak season, we get Australia Post to pick up our ULDs twice per day, so that orders are on their way to customers as soon as possible.
 - Andrew Richards, Managing Director at <u>The Gourmet Pantry</u>



66 Foster open communication and collaboration across your entire team - from supply chain to warehouse to logistics partners. I'm never the single point of contact because I'm not directing trucks or overseeing packers.

– Praneel Sharma, Head of Supply Chain ANZ at Pandora



These are clear indicators that eCommerce growth remains healthy despite cost-of-living concerns.



Print these <u>easy-to-read</u> posters for your warehouse to help team members prepare and lodge each parcel correctly.



Cart abandonment can derail your peak season. Here are <u>eight ways</u> to create a high-converting checkout experience.

¹Inside Australian Online Shopping Report 2024

Need a question answered fast?

Save time during this busy season with our self-service tools.

eParcel Contract customers

The **Business Support Portal** (BSP) is the fastest and easiest way to log an enquiry on behalf of your customers. It can help you track, redirect or recall a parcel in transit, or check its status.

StarTrack customers

myStarTrack Online allows you to manage all your parcels and freight, pick-up bookings and **Track & Trace**.

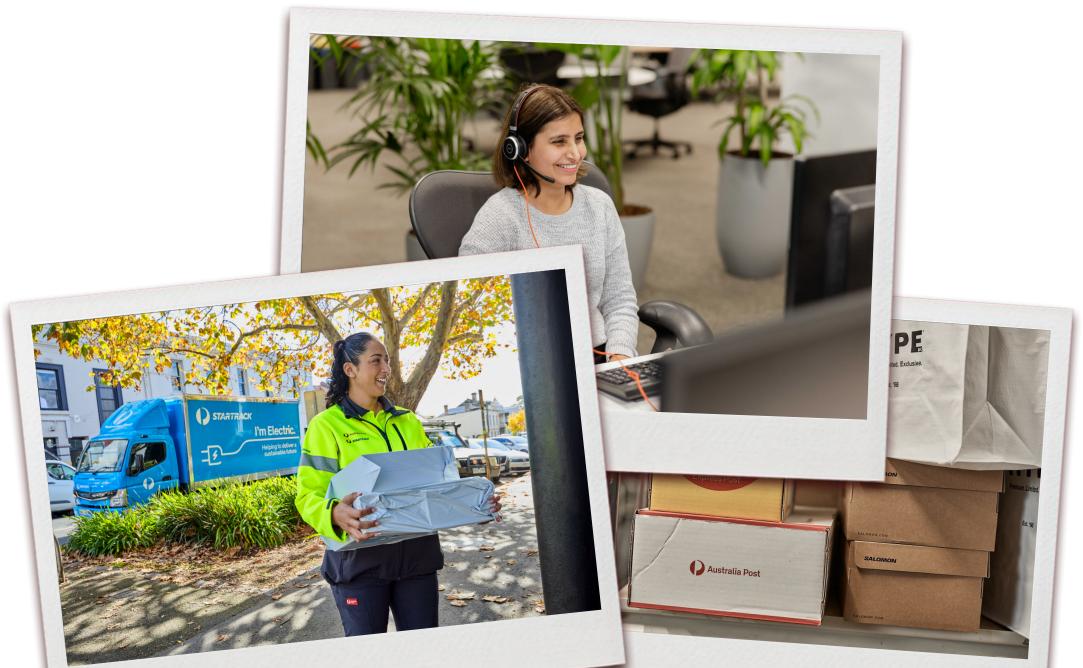
For all other enquiries, call StarTrack on 13 23 45.

Contact our support team

If you prefer to speak to us, call our support team on the below details (Monday to Friday, excluding national public holidays).

- For business customers: 13 11 18 from 8am-6pm local time
- From overseas: +61 3 8847 9980 from 7am-6pm AEST

You can also <u>book an interpreter</u> or get 24-hour calling assistance if you're hearing or speech impaired, <u>details on our website</u>.





Frequently asked questions

How do I track a delivery or missing item?

Find up-to-date tracking information on the BSP and MyPost Business portal. If a delivery is delayed for longer than usual, log an enquiry through either portal. You can also visit our <u>Peak Preparation</u> page for updates on changes to delivery times and services.

How do I access Proof of Delivery (POD)?

For eParcel customers:



Go to 'Manage your delivery' in the BSP.



Enter your tracking number, then click 'Go'.



Under 'Article events', select 'Click to view' to access Proof of Delivery. This could be an image of an item left in a safe place or a signature on delivery.

MyPost Business customers can lodge a POD request through the MyPost Business portal.

For urgent cases, call 13 11 18 (eParcel customers) or 13 11 18 (MyPost Business customers).



How do I manage my credit account?

All the **self-serve invoice and billing options** are available on our website. Contact details for your credit reps are at the top and bottom right-hand corners of your monthly invoice.



How do I recall a parcel in transit and redirect it to the return address?

- 1 Enter the tracking number into the 'Manage your delivery' section in the BSP.
- 2 Select 'Recall' or 'Redirect' these options are only available if the item is eligible for a recall or redirect.

Note:

International, Post Office Box (POB), Parcel Locker and Parcel Collect articles are not eligible for this service. Also, if an item has already been attempted delivery or is awaiting collection then this service is no longer an option.

Simplifying eCommerce speak



Watch our <u>eCommerce Jargon Busters videos</u> for quick and simple explanations of terminology.

What is DIFOT?



What is a shipping manifest?

What is cubic weight?

What is an HS Tariff Code?

How to offer Easy Returns?

What is flat rate packaging?

What are dangerous goods?





What is a shipping platform?

What does lodgement mean?

What are Australia Post APIs?

<u>What is authority to leave</u> <u>or ATL</u>?

What is a parcel collection

point?

How to use Australia Post's

Business Support Portal?

<u>What does Parcel</u> <u>Contract mean</u>?

