
FINANCIAL STRATEGIES FOR HOLIDAY DELIVERY

SAF WEBINAR – JANUARY 19,
2021



DELIVERY CHALLENGES

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- Valentine's Day
 - Mother's Day
 - Christmas
 - Today we'll focus on Valentine's Day

ESTIMATE YOUR VOLUME

- Sunday Effect
- Covid Effect
- Many – planning on same as last year

ESTIMATE NUMBER OF DELIVERIES

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- Check 2019 and 2020
 - Check 2010 and 2016
 - Covid will probably increase the number
 - Guestimate 2021
 - Historically 50% delivered
 - Covid effect...more?

SECURE DRIVERS

- Previous drivers
- Delivery drivers
- Fund raisers

PAY PER DELIVERY

- Cost of delivery for van and driver - \$1.20/mile
- What's your average mileage per delivery normally?
- Average mileage will be less
- \$5.00 is a common number

DRIVER PRODUCTIVITY

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- The only way to increase driver productivity is to group as many deliveries to as small a geographical area as possible
 - Routing programs can do this quickly
 - Limit delivery to standard delivery areas – no distant single deliveries

HANDLING THE VOLUME

- Incentives for early delivery doesn't work well
- New approach – charge extra to handle the added volume

PRICING DELIVERY

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- Delivery on 13th and 14th - +\$5
 - Delivery on 12th - +\$3
 - Delivery ordered on 14th for the 14th - +\$8-10

EXTRA
REVENUE
FLOWS
TO THE
BOTTOM LINE

- This strategy focuses on profitability – not the hassle

QUESTIONS

