The Online Seller's Guide to Dimensional Weight



Quick Facts:

- FedEx and UPS have a DIM divisor of 166 for domestic shipments and 139 for international shipments.
- 2. The U.S. Postal Service (USPS) has a DIM divisor of 194 for domestic shipments and 166 for international shipments.
- USPS does not charge for DIM weight when shipping to zones 1-4 as long as the length + girth of the package is below 84".
- 4. USPS does not charge for DIM weight when shipping to zones 5-8 unless the package is larger than 1 cubic foot (1,728 cubic inches).

 When the length + girth of a package exceeds 84", USPS charges an oversized balloon rate of 20 lbs.



What is Dimensional Weight?

Dimensional weight is how shipping carriers determine ship weight based on package size, not weight.

FedEx and UPS have rolled out new dimensional weight rules for 2015, which has been called the most significant price increase in decades. Below you will find an overview of how dimensional weight works, how it is impacting shipping costs, and how you can help protect yourself as an online seller.

How to calculate dimensional (DIM) weight:

1 Determine the cubic dimensions of your package by multiplying the length, width, and height in inches.

Example:

12" x 12" x 12" = **1,728 cubic inches**



2. Next, divide the cubic dimensions by the DIM divisor set by the shipping carrier. With FedEx and UPS, the DIM divisor for ground deliveries is 166.

Example:

1,728 / 166 = 10.4 lb. dimensional weight

3. If the dimensional weight is greater than the actual weight, you are billed at the dimensional weight.

Example:

12" x 12" x 12" = **11 lb. minimum billable weight** (10.4 is rounded up to nearest lb.)

How DIM rules for USPS are different than FedEx & UPS:

USPS does not charge for DIM weight when shipping to zones 1-4 unless the length + girth of the package exceeds 84". Girth is measured by (2x width) + (2x height).

Example:

 $12" + (2 \times 12") + (2 \times 12") = 60$ inches length + girth



- For zones 5-8, DIM weight only applies if the package size is over 1 cubic foot.
- **3.** The USPS DIM divisor for ground packages is 194. With FedEx and UPS, the DIM divisor is 166. This means **lower DIM weight with USPS.**

Quick Tips:

- Evaluate your box sizes to determine how you can reduce dimensional weight by eliminating excess space inside the boxes. This may involve adding smaller box sizes.
- 2. Analyze alternative delivery options with more flexible dimensional weight rules. This may include USPS and regional carriers. While doing so, keep in mind features (i.e. - tracking), delivery speed, and reliability.
- 3. Evaluate your product line to determine if there are any products that may need to be re-priced or even removed from your selection as a result of the new dimensional weight shipping rules.



The Cost of Dimensional Weight

Let's look at two examples to see how DIM weight impacts shipping cost with Priority Mail and FedEx Home Delivery.



Tote

Package Dimensions: **14 x 14 x 8** Actual Weight: **4 pounds** Ship Zone: **4**

Priority Mail:	FedEx:
DIM Weight:	DIM Weight:
Not applicable	9.45 Ibs.
Billable Weight: 4 Ibs.	Billable Weight: 10 lbs.
Shipping Cost:	Shipping Cost:
\$10.15	\$13.50

In the above example, DIM weight does not apply with Priority Mail because the package is shipping to a zone 4 and the length plus girth is less than 84". This means the billable weight is the same as the actual weight.



Boots

Package Dimensions: **16 x 14 x 8** Actual Weight: **4 pounds** Ship Zone: **5**

Priority Mail:

DIM Weight: 9.24 lbs.

Billable Weight: **10 lbs.**

Shipping Cost: **\$24.95**

FedEx:

DIM Weight: 10.80 lbs.

Billable Weight: **11 lbs.**

Shipping Cost: \$14.39

In the above example, DIM weight does apply with Priority Mail because it is shipping to zone 5 and the package is larger than 1 cubic foot. Even though the DIM weight is less with Priority Mail due to their higher DIM divisor, FedEx is still less expensive in this case.

Quick Tips:

- Evaluate your average shipping cost in 2015 to determine how the new DIM rules have had an impact, and if so, to what extent.
- 2. Analyze your shipments to determine if you are consistently choosing the most cost effective ship method based on the actual weight, dimensional weight, and shipping zone.
- 3. Reevaluate how much you are charging your customers for shipping. If you are charging free or flat rate shipping, does your offer need to be adjusted? If you are calculating shipping cost at the time your customer places the order, are you properly accounting for DIM weight?



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Choosing the Right Shipping Method

The new DIM rules have made it more challenging for online sellers to consistently choose the most cost effective ship option.



Priority Mail:

Less expensive = **Zones 2-4** Average savings = **\$3.78**

Shipping Zone	Cheaper Ship Method (PM or FedEx)	Difference in Cost Between PM & FedEx
Zone 2	Priority Mail	\$4.56
Zone 3	Priority Mail	\$3.42
Zone 4	Priority Mail	\$3.35
Zone 5	FedEx	\$0.04
Zone 6	FedEx	\$0.76
Zone 7	FedEx	\$0.53
Zone 8	FedEx	\$1.06

FedEx:

Less expensive = **Zones 5-8** Average savings = **\$0.60**



Cheaper Ship Difference in Shipping Zone Method Cost Between (PM or FedEx) PM & FedEx Zone 2 **Priority Mail** \$0.35 Zone 3 **Priority Mail** \$0.04 Zone 4 FedEx \$0.75 Zone 5 FedEx \$10.56 Zone 6 FedEx \$13.26 Zone 7 FedEx \$14.61 FedEx \$18.55 Zone 8

Priority Mail:

Less expensive = **Zones 2-3** Average savings = **\$0.20**

FedEx:

Less expensive = **Zones 4-8** Average savings = **\$11.55**

EFS Overview:

- **1.** eFulfillment Service is an award-winning fulfillment company that has been shipping ecommerce orders since 2001.
- 2. We work with online sellers of all sizes, including startups and crowdfunders.
- We integrate with over 35 shopping carts and platforms and our technology keeps sellers up-to-date from anywhere in the world.
- There are no setup costs, no minimums, no hidden fees, and no long-term contracts.
- We are a family-owned business with an A+ rating from the U.S. Better Business Bureau.

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Minimizing Your Shipping Costs

To minimize shipping costs, it now requires sellers to evaluate ship options <u>after</u> DIM weight is confirmed. But what if your fulfillment company makes you choose the ship method before that?

At eFulfillment Service (EFS), we analyze each package right before it ships. By taking into account the package size, weight and ship zone, we automatically choose the most cost effective option each time, saving our clients time and money while providing peace of mind.

